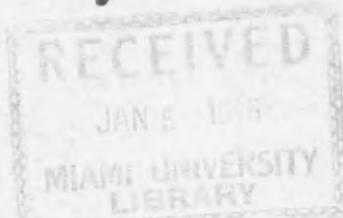


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Public Assistance Goals

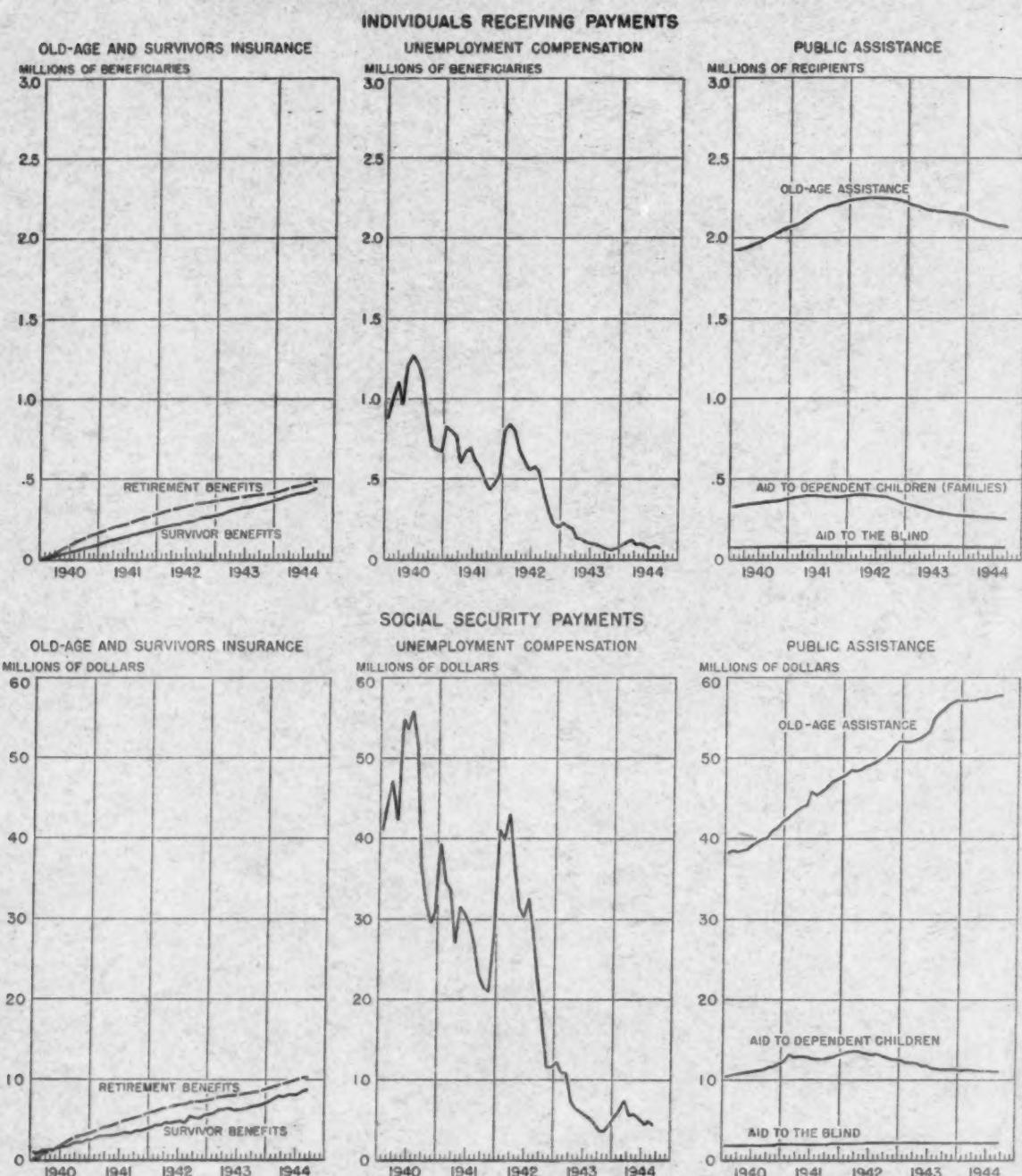
UNRRA—A Democratic Plan for International Relief

Seasonal Employers and Seasonal Workers Under State Unemployment Compensation Laws

A Social Security Plan for Great Britain

FEDERAL SECURITY AGENCY
SOCIAL SECURITY BOARD
WASHINGTON, D. C.

Social Security Operations*



*Old-age and survivors insurance, beneficiaries for whom payments were certified and amounts certified during month; unemployment compensation, weekly average number of beneficiaries for the month and gross benefits paid during the month under laws of States and Territories; public assistance, recipients and payments in the continental United States under all State plans.

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Social Security Bulletin

Volume 7

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Social Security in Review

The Programs in September

THOUGH SEPTEMBER AWARDS of monthly benefits for old-age and survivors insurance were fewer than in August, the monthly increase in benefits in force was about as usual. September certifications totaled \$17.1 million, of which 51 percent went to primary beneficiaries, 9 percent to dependents, and 40 percent to survivors; a year earlier the percentages for primary and survivor beneficiaries were 53 and 33 percent. Awards during the third quarter of this year were almost as many as the all-time high of the preceding quarter, and the number of lump-sum payments awarded exceeded those in any previous quarter. An increase in the number of war deaths among insured workers may possibly have prevented the usual third-quarter decrease in claims for lump-sum death payments and monthly survivor benefits.

UNEMPLOYMENT BENEFIT disbursements, which had reached a 1944 low in July, then increased in August, again dropped in September to a new low for this year. The numbers of beneficiaries, of claims filed, and of weeks compensated for total unemployment also dropped below August levels and, except for initial claims, were below those in September 1943. Michigan, however, reported increases from August in claims and benefits, and in several other States payments and claims were appreciably above those a year earlier.

EXPENDITURES DECREASED in September for general assistance but rose sufficiently for the three special types to bring the total for public assistance slightly above the August figure. In case loads, however, the three special types decreased while general assistance increased. As a result, the average payment for general assistance declined and averages for the other programs rose slightly. The increase in general assistance cases was the first since January 1942 and

can be explained by one State's addition of 1,440 old-age assistance recipients to its general assistance rolls for supplementary assistance. The decrease in number of families receiving aid for dependent children was the smallest since April 1942.

British Social Security Proposals

A motion to approve the Government's proposals for a comprehensive system of social security in Great Britain, outlined elsewhere in this issue, was carried by the House of Commons on November 3, and a bill to establish the Ministry of Social Insurance recommended by the Government was issued the same day and gained first reading. During the debate on the motion to approve the plan, Sir William Beveridge, recent-

ly elected to Parliament, expressed approval of the plan in principle though he criticized certain of the details, principally the rate of the family allowances, the ultimate rate of the retirement pension, and the method of administering sickness benefits.

Interstate Conference of Employment Security Agencies

At its annual meeting, held in Dallas, Texas, October 10-12, the Interstate Conference of Employment Security Agencies established a special committee to study problems involved in granting funds for administration of State unemployment compensation systems; recommended that all State laws include provision to make interest on delinquent contributions and penalty collections available for administrative expendi-

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Public Assistance Goals: Recommendations of the Social Security Board *

THE PURPOSE of public assistance is to provide at least a minimum degree of economic security to persons in need. Public assistance programs complement other programs for economic security by supplying basic maintenance to needy persons for whom benefits are not available or are insufficient. The relative place of public assistance in a system of social security depends on the scope and adequacy of other measures designed to keep people from becoming needy.

Looking into the future, we may assume that public assistance will play a progressively smaller role as coverage of the social insurances is extended, benefits become more nearly adequate, additional risks are insured, and the insurance programs have time to mature. In the immediate future, however, and perhaps for a generation, public assistance will be a major part of the social security system. Whether the volume of need is larger or smaller, public assistance should meet effectively whatever need exists.

Because of the social and economic dislocations resulting from the war and the impending transition to peace, 1945 sessions of State legislatures will face problems of unusual complexity and magnitude. The forces of war and peace are intensifying the need for amendments to public assistance legislation. Yet the experience of the 9 years during which the Social Security Act has been operating indicates that changes would be in order even in normal times. State legislatures will be concerned not only with measures to improve old-age assistance, aid to dependent children, and aid to the blind, which come under the Social Security Act, but also with ways of strengthening general assistance, which is now wholly a responsibility of State and local governments.

During the war years, major changes have taken place in governmental provisions for aiding needy

*Recommendations for improvement of State public assistance legislation in the 1945 State legislative sessions, sent by the Board to State public assistance agencies.

persons. With the liquidation of the Federal work programs and the termination of the food stamp plan and surplus commodity distribution, old-age assistance, aid to dependent children, and aid to the blind—operated by States and localities with the financial help of the Federal Government—and the program of general assistance—operated by the States and localities without Federal sharing of costs—have become in nearly all States the only means of furnishing public aid.

The essential flexibility of public assistance has been amply demonstrated by the substantial declines in assistance rolls during the war. Between December 1941, when Pearl Harbor was attacked, and July 1944, the number of cases on the general assistance rolls declined 68 percent and the number of families receiving aid to dependent children, 34 percent. Recipients of old-age assistance declined 7 percent in number, and there was even a decrease of 6 percent in the number of persons getting aid to the blind.

The effect of the war in reducing need was somewhat greater than these figures indicate, since many State programs of old-age assistance, aid to dependent children, and aid to the blind were not fully developed and the trend in the number of recipients of these types of aid was still upward when mounting demands for manpower opened up jobs to marginal groups, such as old people, older women without skills, and the handicapped, and to persons not normally in the labor force, such as mothers and children.

Even in July 1944, more than 3.3 million persons were on relief rolls—2.1 million old people, 0.6 million children deprived of parental support or care, 73,000 blind persons, and 0.5 million persons in families receiving general assistance. Most of the persons receiving general assistance were suffering from disabilities or advanced age. Some of them might have been eligible for the special types of public assistance but were excluded by State eligibility conditions

more restrictive than those in the Federal act; not a few were receiving general assistance to supplement inadequate payments of old-age assistance, aid to dependent children, and aid to the blind. In even the highly favorable circumstances of the past year, the Nation's bill for public assistance was almost a billion dollars.

During the reconversion ahead, the need for assistance inevitably will increase. The problems of adjustment will of course be less intense if the war ends in two stages rather than one. In any event, great changes will occur, and these changes may be expected to affect seriously the marginal groups who left the assistance rolls or were kept off them by participation in the war effort. Many persons whose support was assumed by relatives enjoying greatly increased take-home pay will also be affected adversely.

It is estimated that a year after V-E day, which will be followed by drastic curtailment of war production, return of many servicemen, and shifts of war workers, somewhere between 3.5 and 8 million workers will be looking for new jobs. The most probable current estimate is that between 5 and 6 million individuals will be separated from jobs at the end of the first year following Germany's defeat. If the war with Japan should end at about the same time as the European war, these numbers would be even greater.

In any circumstances, the disruptions of reconversion will bear hardest on groups of marginal employability. Many workers will withdraw voluntarily from the labor force because of advanced age or disability or to resume home duties or to go back to school, and others will be squeezed out. Other workers of low employability will have difficulty in finding work. Some marginal workers will be eligible for unemployment benefits or for permanent retirement benefits. On the other hand, some will have been in farm work, domestic service, or other noncovered employment, and still others will have been in covered employment too short a time to acquire benefit rights. Obviously such persons must look to public assistance to meet their needs when their resources are exhausted.

State legislatures should also give consideration to the probable effects of declines in pay envelopes and rises in price levels. Curtailment of hours of work will substantially reduce earnings unless wage rates rise. Moreover, unless economic controls are maintained, price levels may climb higher. Such changes may impose great hardships on low-income groups. Some increases in the demand for assistance may be expected from recipients and persons on the borderline of need whose incomes fail to keep pace with mounting living costs.

In order to assist State public assistance agencies to meet need effectively, the Social Security Board has made recommendations to the Congress for amendment of titles I, IV, and X of the Social Security Act, which authorize Federal financial participation in old-age assistance, aid to dependent children, and aid to the blind. The Board has also recommended that Federal grants be made available to the States for general assistance. Although the Board believes that further Federal financial participation is necessary to enable States—particularly the poorer States—to provide adequate assistance to all persons who are needy, many steps to improve assistance programs can be taken by States without additional financial aid from the Federal Government. Moreover, certain improvements can be made through administrative action without statutory changes, though they may require increase in appropriations. The States which must await increased Federal matching to expand coverage or to improve the adequacy of assistance can at least amend their laws so as to take full advantage of Federal matching under the present titles and to be prepared to make further improvement if and when the Federal Government is able to assume a larger share of the cost.

More Adequate Assistance Payments

Assistance could be made more nearly adequate in many States by changes in State laws or plans to remove the maximums on payments of aid to dependent children, remove or increase maximums on payments of old-age assistance and aid to the

blind, authorize the provision of medical services to recipients, and delete prohibitions against the simultaneous receipt of more than one type of assistance.

Removal or Increase of Maximums

The urgency of eliminating or raising maximums on payments depends on the amounts of the maximums and the extent to which these limitations prevent meeting of need. In many States, a large proportion of the families receiving aid to dependent children get payments at fixed maximums that are too low to provide the minimum essentials of living. In some States, maximums on payments of old-age assistance and aid to the blind make it impossible to meet the full need of substantial numbers of aged and blind persons, particularly those who require medical care.

The Social Security Act, which limits the amount of an individual payment in which the Federal Government will share, has influenced States to establish maximums on payments under their programs. Federal funds can be used for half of payments of aid to dependent children up to only \$18 a month for one child in a family and \$12 for each other child aided. On the other hand, the Federal Government can pay half the cost of a payment to a recipient of old-age assistance or aid to the blind up to as much as \$40 monthly.

Many State laws limit payments to recipients to the amounts governing the Federal contribution. Some State laws stipulate that payments shall be limited to whatever amounts the Federal Government will match. In some States that do not have legal maximums, all payments are limited administratively to the amount of the Federal matching maximums because funds are insufficient to meet the full need of all recipients.

The Social Security Board has recommended to Congress removal of the maximums governing Federal matching in aid to dependent children and increase in the maximums for old-age assistance and aid to the blind. Without waiting for amendment of the Federal act, however, some States have eliminated maximums on aid to dependent children payments or have established maximums higher than those in the Social Security Act.

Eight States have eliminated maximums in all three types of assistance.

Twenty-two States now have no maximums—either legal or administrative—on payments of aid to dependent children, and five States have maximums higher than the \$18/\$12 limiting Federal matching. Among the States with maximums, the highest amount that can be paid to a mother and one child ranges from \$15 to \$50. In several States, maximums are so low that more than three-fourths of the payments are at the maximum.

In most States, old-age assistance payments may not exceed \$40 (or \$80 for two aged persons in a family), but 10 States have maximums of \$30 or less. A few States impose maximums on total income, including assistance and other resources, rather than on the assistance payment. Although the \$40 maximum limits a relatively small proportion of payments in most States, this amount is often insufficient to enable States to meet the needs of recipients who require medical or nursing care. Several States provide that payments may exceed \$40 for such recipients.

In aid to the blind, the great majority of States have maximums of \$40, but six States have statutory or administrative maximums of \$30 or even less. The proportion of recipients receiving maximum payments of aid to the blind is higher than in old-age assistance, primarily because blind persons, on account of their handicap, generally have additional needs.

Price increases during the war have made it increasingly difficult for needy persons to live on their assistance payments. If prices should rise higher in the reconversion, needy persons will feel even more the pinch of their small fixed incomes unless steps are taken to lift the maximums on payments.

Provision for Medical Care

Most States make some provision for the medical care of recipients of public assistance, but these provisions vary greatly in scope and adequacy from State to State and often from locality to locality. The experience of the armed services, which have found it necessary to reject large numbers of men with preventable or

remediable conditions that render them unfit for military service, emphasizes the importance of more effective medical provisions. Studies show that the prevalence of illness and disability is greater among dependent groups than among those of higher economic status. The Social Security Board believes that if the needs of recipients of public assistance are to be met fully, provision must be made for assuring that they receive medical care. An adequate program of medical care can reduce or minimize dependency and disability and aid in enabling many persons to gain a self-supporting status.

Assistance payments that are limited to the amounts of the Federal matching maximums are often too low to supply even basic maintenance. If maximums are eliminated or raised, medical needs can more effectively be met through the money payment. Experience indicates, however, that medical needs sometimes can best be met by arranging for such service. Therefore, in addition to higher maximums or the elimination of maximums, the Social Security Board has recommended that the Social Security Act be amended to authorize Federal matching of payments to suppliers of medical services. The Board is of the opinion that funds used for medical services under all assistance programs should be combined. Such pooling would spread the risk over a larger group and would afford maximum flexibility in the use of available funds.

Although increased Federal matching would greatly assist States in developing well-rounded medical care programs, some States have already made notable progress in this direction. State plans for providing medical care to the needy are extremely varied and attest to the ingenuity of legislatures and administrative agencies in adapting plans to State and local resources and conditions. The Social Security Board believes that State public assistance agencies should move ahead as rapidly as possible in the development of their programs of medical care for needy persons. Among present lacks requiring study is continuing hospital or nursing-home care for needy individuals who are chronically ill and need long-time nursing and medical attention.

Receipt of Two or More Types of Assistance

The Social Security Act requires that a State plan for aid to the blind must provide that no assistance will be paid to an aged blind individual for any period for which he is getting old-age assistance. Many State laws provide that a recipient of one type of public assistance may not receive any other form of public aid. Some of these laws except temporary medical or surgical care. Often it is not possible to meet a recipient's needs fully under one program, particularly if the amount of assistance that he may get under that program is limited by a maximum. Consequently, the Social Security Board believes that, except for meeting the provision in the Social Security Act with respect to the simultaneous receipt of old-age assistance and aid to the blind, State laws should not prevent recipients from getting two or more types of public assistance simultaneously. The most constructive approach to meeting the needs of an individual fully, however, would be to eliminate all restrictions that prevent attainment of this goal under a single program.

Extension of Coverage

If freedom from want is to be a reality in the States of the Nation, no needy person should be without access to the means of subsistence. State legislatures should examine the conditions of eligibility for each type of assistance and consider whether legislative changes are needed to extend coverage to groups of persons who are now excluded.

Few States, if any, are now taking full advantage of the Federal offer of matching funds under the Social Security Act. Thus they are throwing on general assistance, financed without Federal aid, the burden of supporting some needy persons who are potentially eligible for old-age assistance, aid to dependent children, or aid to the blind but are barred by unnecessarily restrictive conditions of eligibility. Moreover, in many States some groups of needy persons are ineligible for even general assistance.

Residence Requirements

The Social Security Act does not require that a State impose any residence requirement as a condition of

eligibility but merely specifies the maximum period that may be imposed. No State may, as a condition of eligibility for old-age assistance or aid to the blind, require more than 5 years' residence in the State in the last 9 years and 1 year in the State preceding application. For aid to dependent children, the maximum residence that may be required of a child is 1 year or, if the child is less than a year old, 1 year's residence in the State on the part of the mother prior to the birth of the child. For general assistance, many States require local settlement as a condition of eligibility.

The great majority of States have adopted the maximum residence requirements permitted by the Social Security Act for old-age assistance, aid to dependent children, and aid to the blind. On the other hand, some States limit residence requirements for old-age assistance and aid to the blind to 3 years, 2 years, or 1 year, and a few States have eliminated residence requirements entirely under one or more programs.

States have imposed eligibility restrictions in order to limit assistance to their own residents. It is understandable that States wished to restrict eligibility to their own residents when only a few States provided assistance to special groups and financed these programs wholly from State and local funds. Such restrictions are less defensible now that all States provide assistance financed from Federal as well as State and local funds. Modern conditions demand mobility of population. The war has greatly accelerated the long-time trends in the movement of population to centers of industrial development. As a result of such migrations, many people have lost their residence or settlement in the place from which they came without gaining it in the place where they now are. It is unrealistic, moreover, to assume that all workers who have moved to war-production centers will return to their former place of residence. Nor is it desirable to force such return, since jobs frequently will not be available in communities from which people have come and many migrants now have no ties in these places.

Provision should be made to aid

needy persons wherever they live. Consequently, the Board believes that States should eliminate or minimize all eligibility requirements that relate to length of residence in the State.

Citizenship

While the Social Security Act does not require citizenship as a condition of eligibility for public assistance, it permits the States to require citizenship. Twenty-six States make citizenship a condition of eligibility for old-age assistance and seven for aid to the blind. Only one State requires that children must be citizens to be eligible for aid to dependent children. Many older persons who are not citizens have lived for a long time in the United States but have been unable either to obtain documentation necessary to qualify them for citizenship or to pass the literacy test. In many States, the effect of excluding needy noncitizens from the special types of public assistance has been to place the burden of their support on general assistance, financed in large part from local funds. The Social Security Board is of the opinion that assistance should not be denied to noncitizens if they are needy and otherwise eligible.

Transfer of Property To Qualify for Assistance

All States permit recipients of assistance to own some property. Most States, however, require as a condition of eligibility that an applicant must not have disposed of property for the purpose of qualifying for assistance. Some State laws specify a period, ranging from 2 to 5 years preceding application for assistance, during which there must not have been a transfer of property to qualify for assistance. These provisions are extremely difficult and costly to administer because in all cases it must be established that these transfers have not occurred, though the actual number of transfers is small. In these cases, moreover, the motives are difficult to trace. Such provisions tend to bar applicants from assistance if they have transferred property within a specified time even though they had no intent to dispose of the property to qualify for aid. States may wish to consider the desirability of eliminating such eligibility requirements that disqualify needy persons otherwise eligible.

Liberalization of Provisions Regarding Support by Relatives

The Social Security Act provides that in determining the need of an individual, consideration shall be given to his income and other resources. Some State plans go further and provide that a potential contribution of a responsible relative shall be taken into account, even though the relative has not given assurance that the contribution will actually be made. In fact, it may even be known that the relative will not contribute.

Such provisions assume that, if the presumed contribution is not made, either the applicant or the agency has recourse to court action to compel support. If court action is not initiated, the agency continues to assume that the presumed income is available.

This policy has not proved constructive. Often the recipient's need is not relieved. When court action is taken, family relationships almost inevitably become strained. Sometimes, too, despite a court order, the contribution is not regularly received.

The Social Security Board is of the opinion that the income and resources considered in the determination of need should be actual, not merely potential, and should be appreciable and significant in meeting the recipient's present and future needs. Thus the Board believes that provisions conditioning eligibility for assistance on the ability of relatives to support should be eliminated from State laws. The moral and legal obligation of relatives to support needy individuals of course would still exist, but contributions from relatives would be counted as income only when actually received. Denial of assistance to needy persons should not be used as a method of enforcing the support laws of the State.

Extension of Coverage for Aid to Dependent Children

Though children constitute our country's most important resource, the development of aid to dependent children has lagged behind that of old-age assistance in many States. This discrepancy has been due in part to the relatively less favorable matching provisions for aid to dependent

children in the Federal act, and in part to restrictive eligibility conditions imposed by State law or policy and inadequate State appropriations for this type of aid.

Under the Social Security Act, the Federal Government will participate in payments for a dependent child who is living with a parent or other specified relative and who has been deprived of parental support or care by the death, continued absence from home, or physical or mental incapacity of a parent. Federal matching is available for such children who are in need if they are under 16 years of age, and until age 18 if they are attending school. The States differ greatly in the extent to which they are taking advantage of these eligibility provisions to obtain Federal matching funds. Within the framework of the present Federal act, substantial development of many State programs of aid to dependent children is possible.

Federal funds may be used in the payment to a dependent child who is living with a parent or adoptive parent, grandparent, brother or sister, stepparent, stepbrother or sister, uncle, or aunt, or certain other relatives within the same degrees of relationship. Some States, however, specify relationship more narrowly and consequently exclude certain dependent children who might be benefiting from the program.

In many States, aid to dependent children is severely hampered by restrictive legal provisions or administrative interpretations relating to a parent's continued absence from home or incapacity. The Board suggests that States review their interpretations of these provisions with a view to liberalizing them if they are unduly limiting.

States vary greatly in defining what constitutes continued absence from home. Some States require that an absent parent must have been away for a specified length of time, such as 6 months or a year. Some require that if a parent has deserted, the mother must take court action to establish absence or secure support of the child before applying for assistance and may require the mother to get affidavits from leading citizens attesting to the father's desertion. Some States bar from assistance chil-

dren whose parent is imprisoned. Such provisions consider only secondarily the child, whose needs often must go unmet because of acts of the parent. Moreover, such eligibility requirements often intensify family problems rather than resolve them.

The States differ widely also in interpretations of physical and mental incapacity. In some States, the interpretations are rigid and restrictive. Some States, for example, recognize incapacity only of a wage-earning parent. Some require that the incapacity shall be complete or permanent or expected to last for as long as 1 year. A few States, on the other hand, have relatively liberal interpretations of incapacity and make comparatively full use of the opportunity to provide aid to children when they are deprived of support or care by the parent's physical or mental disabilities.

In several States, the law for aid to dependent children requires that a child must be living in a home that is "suitable" or "satisfactory" or "beneficial to the upbringing of the child." Since suitability cannot be judged on the basis of wholly objective criteria, States have found this provision difficult to administer. Moreover, long-continued insufficiency of income is often the cause of undesirable home conditions. All States have laws to protect children from neglect and abuse. The Social Security Board believes that it is undesirable to use the power of the public assistance payment to enforce these laws, which are administered by other agencies. In some States, however, need exists for strengthening other governmental agencies which carry responsibility for protecting all neglected children regardless of economic status.

Although the Social Security Act does not require States to impose age limits or school attendance as conditions of eligibility for aid to dependent children, but merely prescribes such conditions for Federal matching, the majority of the State laws incorporate the provisions of the Federal act. One State gives the localities the option of aiding needy children 18 years of age and over, while 36 States aid children up to 18 years of age, and 12 States have set lower limits. Thirty-two States which aid children until age 18 require school attendance for children aged 16 or 17 years, and

1 State imposes school attendance for children aged 14 and 15.

Experience indicates that the cost of administering the school attendance clause is wholly out of proportion to any values it may have, and the Social Security Board believes that it should be deleted from both the Federal and the State acts. The clause was originally intended to encourage older boys and girls to remain in school. Unfortunately, it has resulted in depriving some needy children of aid. For a variety of reasons, children sometimes can neither go to school nor to work. In some rural areas, high schools are not accessible. Lack of vocational or specialized schools makes it unprofitable for some children with handicaps to attend school, and a few children are too handicapped to attend any school. Illness in the family, moreover, sometimes makes it necessary for older children to remain at home.

The Social Security Board is convinced that the complex of eligibility conditions for aid to dependent children in the Federal act is difficult to administer and seriously limits the ability of the States to achieve the socially desirable purpose of assisting children who are needy. Consequently, the Board believes that the Social Security Act should be amended to permit Federal matching of payments for any needy child regardless of the reason for his need if he is living with a relative or legal guardian in a home maintained as his own. Such an amendment would accomplish the dual purpose of enabling States to supply all needy children with the means of subsistence and of simplifying administration. A few State laws have already eliminated all conditions of eligibility except need, but these States still limit eligibility administratively to children for whom Federal matching can be obtained.

If Congress should authorize Federal participation in general assistance and also extend coverage for aid to dependent children to any needy child, the States could obtain Federal matching in payments to families with children under either program.

Extension of Coverage for Aid to the Blind

Though the Social Security Act au-

thorizes Federal matching in aid to the blind for needy blind persons of all ages, about half the States have a minimum age requirement for the receipt of assistance, ranging from 16 to 21 years. Needy blind children under age 16, or aged 16 or 17 and in school, can qualify for aid to dependent children under the conditions in the Federal act only if they are deprived of parental support or care by reason of death, absence from home, or incapacity of a parent. Most blind children in their own homes can now qualify only for general assistance if they are needy. The Social Security Board believes that all needy blind children should be eligible for aid to the blind.

Some States impose other conditions of eligibility for aid to the blind that are not required by the Federal act and that penalize the individual because of past or present behavior. A few States, for example, disqualify individuals who refuse treatment for the condition of blindness. Several States deny assistance to any applicant who "publicly solicits alms," although the number of such persons is negligible. Every eligibility condition adds to the expense and complexity of administration as well as to the degree of scrutiny to which all applicants must be subjected. Eligibility conditions such as these which affect very small numbers of persons do not seem to be worth retaining in the statutes.

Extension of Coverage for General Assistance

Although it is commonly presumed that general assistance is a residual program under which any needy person can qualify for assistance if he is ineligible for a special type of public assistance or requires additional aid to supplement such assistance, in many States certain groups of needy persons have no access to general assistance. Among groups now barred from general assistance in some places are nonsettled persons, noncitizens, single persons, persons receiving some other type of public assistance or a social insurance benefit, and so-called employables. Moreover, in some localities, no general assistance is administered.

The Social Security Board believes that the Federal Government should

make grants to States for general assistance just as it now does for old-age assistance, aid to dependent children, and aid to the blind. Even though no Federal funds are now available for general assistance, State legislatures can consider the scope and adequacy of their general assistance programs and take steps to make them more satisfactory. In States in which general assistance is wholly or largely a local responsibility, comprehensive State legislation providing for State supervision and financing may be necessary to assure that all needy persons in the State are both eligible for and able to get assistance. If comprehensive changes in State legislation are indicated, careful study may need to precede action. The Board suggests that, in a State whose legislature is not prepared to revise general assistance provisions fundamentally, steps should be taken, through a commission or otherwise, to formulate recommendations on which action can be based in the next biennium or at such time as Federal grants for general assistance may become available.

Improved Financing, Organization, and Administration

In many States, changes in financing, organization, and administration are needed to permit the assistance programs to operate with greater effectiveness. Among the most urgent problems of public assistance administration are the equitable distribution of Federal and State funds to localities, the centralization of administrative responsibility for all assistance programs in a single State agency and a single local agency, and the uniform application of policies, standards, and procedures throughout a State.

Equitable Distribution of Federal and State Funds Among Localities

The Social Security Board is of the opinion that special Federal aid to low-income States would enable the poorer States to put their public assistance programs more nearly on a par with those of the States which have greater economic resources. Just as there is need for equalizing the financial burden among States,

so there is need also for such equalization among the localities of a State. Federal and State funds should be allocated to localities so as to assure equitable treatment of needy individuals in all parts of the State. This is a problem in States without local financial participation as well as in the States where the localities contribute a share of the cost.

In States with local financing, the local contribution, although representing a small fraction of the total, is often the deciding factor in determining how many persons shall get assistance and how much; although the State and Federal Governments stand ready to match whatever the locality puts up, they cannot contribute more than their proportionate shares. Thus if the locality is unable to raise its share of the cost of an adequate program, inadequate payments or waiting lists are the inevitable result. This situation is tantamount to a denial of assistance. The Social Security Board is of the opinion that the poorer communities should get relatively more Federal and State funds than those with larger resources, and that in a Federal-State-local program needy persons should not have to suffer because they happen to live in a community which cannot readily raise a particular quota. Thus, wherever the localities participate in financing public assistance, the State should review the method of arriving at the local share to determine whether proper consideration is given to both the need for assistance and the financial ability of the locality. Unless funds are distributed in a way which assures equitable treatment of needy persons throughout the State, the objectives of the Federal-State-local partnership cannot be realized.

Unified Appropriations

The Congress now makes a single appropriation for grants to the States for the three special types of public assistance although the Board is still required by the Social Security Act to make a separate grant to a State for each program. The Social Security Board believes that one Federal grant covering all programs would be desirable, and that such a grant should provide funds both for assistance and administration. Grants for adminis-

tration should be on a uniform basis under all programs.

The Board is of the opinion that financing of the State public assistance programs is both strengthened and facilitated if a single appropriation is made from the general fund of the State for assistance and administration under all programs. About one-fourth of the States now make such appropriations for assistance. On the other hand, some States appropriate funds separately for each program, and sometimes States finance different programs from different tax sources. A single lump-sum appropriation from the general fund permits sounder financial planning, eliminates uncertainties concerning the yield of earmarked taxes, and permits maximum flexibility in the use of available moneys. In some States, public assistance agencies now find themselves in the anomalous position of having unexpended balances in one appropriation, and in another, insufficient funds to enable them to meet recipients' needs.

One State and One Local Agency

The effectiveness of public assistance administration in some States would be increased by unifying administration at the State level. In many States, further unification of administration at the local level would be desirable.

The Social Security Act now requires that one State agency administer or supervise the administration of a specified program, but it does not require that all programs be administered by the same State agency. Nor does the act require coordinated local administration of old-age assistance, aid to dependent children, and aid to the blind.

Many States have found it desirable to go beyond the requirements of the act and have established one State and one local agency to be responsible for the special types of public assistance. Only a few States still continue to administer one of the special types of public assistance apart from the other two. Notable progress, moreover, has been made in coordinating the administration or supervision of general assistance with that of the special types of public assistance. Yet two States and large numbers of localities assign re-

sponsibility for general assistance to an agency other than that responsible for the programs for the aged, blind, and children.

States have found numerous advantages in placing responsibility for all public assistance programs in one agency. Not only is coordinated planning and financing of the programs facilitated, but a greater degree of harmony among programs can be achieved in policies, procedures, and standards. Such similarity should result in more nearly equitable treatment of needy individuals regardless of the type of assistance for which they are eligible. Although the intent of the Social Security Act is to assure equitable treatment of all needy individuals within a State who are eligible for a particular type of assistance, the act does not undertake to assure equity among programs—an objective that the Board believes desirable. State and local agencies administering a unified assistance system would have a complete picture of the needs of all groups and thus would be stimulated to extend the principle of equitable treatment so that all need, regardless of type, would be met on as equitable a basis as possible.

Unified administration has the further advantage of permitting operating economies and, even more important, of affording better service to recipients. When one agency is responsible for all types of public assistance, all requests for aid are received at a central intake office and the individual requesting aid can get the appropriate type of assistance to meet his particular wants promptly and without the necessity of going from agency to agency. Moreover, the needs of a family may be considered as a whole; if more than one type of aid is required, one agency can provide all the assistance and duplicate

investigations may be avoided. At the same time, under unified administration specialized services to individual members of a family may be provided, when needed, as effectively as under a program separately administered.

Uniform Application of Policies and Standards

The Board believes that similar treatment of individuals in similar circumstances is a fundamental principle in the administration of public assistance. To strive toward this goal, State agencies should adopt uniform policies, standards, and procedures and should make every effort to have them fully understood by State and local personnel, applicants, and the general public.

The needs of recipients will vary in different localities, but the basis for determining the amount of assistance should be uniform throughout the State. In many States, there is wide variation among localities in standards for requirements and in policies for the treatment of resources. Uniform standards and policies for determining the amount of assistance—and effective State supervision in their application—are basic to good administration.

Other essentials of equitable treatment are uniform intake policies and procedures, prompt disposition of applications, and assurance of effective procedures for a fair hearing for individuals whose claims are denied. Basically, these objectives can be attained only through good administration.

The Board recommends that State legislatures provide legislative authority wherever it is not clear that the State agency has responsibility for meeting the needs of recipients throughout the State on a fair and equitable basis.

Conclusion

Responsibility for administering the State-Federal programs of old-age assistance, aid to dependent children, and aid to the blind rests with the States and localities. The Federal role in these programs is to approve State plans for their operation under the Social Security Act, to determine the conformity of administration to State plans, to certify Federal grants, to assist States to develop adequate public assistance programs, and to study the effectiveness of the programs for the purpose of making recommendations for Federal legislation and guiding administrative policy.

Since the Federal Government is a financial partner in the special types of public assistance, States are limited to some extent in the development of their programs by the Federal matching provisions. Although few States, if any, are taking full advantage of the provisions for Federal matching in the Social Security Act, many States have already gone beyond the matching limits of the act in some respects, extending coverage to groups not now eligible for Federal matching, broadening the scope of assistance to include medical and other services, and making payments in excess of the Federal matching maximums. Some States, moreover, are moving toward the establishment of a truly integrated public assistance system, with unified financing and administration of the special types of public assistance and general assistance at both State and local levels. The States have continuing opportunity to blaze the trail in defining new goals and devising better methods of public assistance administration. The 1945 legislative sessions afford the States occasion for promoting greater understanding and obtaining increased support of measures necessary to banish want within their borders.

UNRRA—A Democratic Plan for International Relief

By Ellen S. Woodward*

THE UNITED NATIONS Relief and Rehabilitation Administration represents a bold new conception of international cooperation for mutual aid, born of unprecedented world-wide need. It is blazing new paths for countries to follow in working together for the welfare of the peoples of the world. Its experience has tremendous significance, both for international relations and relief administration in the future. The success of this first operating agency of the United Nations is of crucial importance not only to the relief of millions of suffering people but also to the achievement of a kind of international security that will prevent recurrence of such suffering. In the words of L. B. Pearson, Chairman of the second session of the Council, "UNRRA must not merely do its job well; it must do it so well that it will give heart and courage to the governments who, slowly but steadily, are building up the international structure of peace."

UNRRA is a new venture in democracy in international action. It is a common undertaking in which all the 44 United and Associated Nations, the large and the small, the free and the occupied countries, have joined together to aid entire peoples stricken by war and Axis occupation. All these nations—the supplying and the receiving countries alike—have an equal vote in determining the program. As the Council member from China, T. F. Tsiang, said at the final meeting of the second session of the Council, "As among the 44 nations which have met together here I could not say which are the 'haves' and which are the 'have nots.' Some nations are contributing nations while others are receiving nations, and I suppose it might be said that the contributing nations are the 'haves' and the receiving nations are the 'have nots.' However, I for one have not been conscious of that distinction

in UNRRA although I have been associated with UNRRA from the very beginning. I cannot see that such a distinction exists in fact."

UNRRA is a unique organization in the relief field. After World War I, the United States, the most advantaged nation, undertook chief responsibility for the relief of European peoples stricken by the war, for the most part acting unilaterally. Various official and private agencies carried on relief activities, with little joint planning and with little participation in planning on the part of the receiving nations. In striking contrast to this type of benevolent activity, civilian relief after the present war will be undertaken in most instances by the governments themselves with the aid of an international agency set up by themselves.

Organization and Basic Policy

The establishment of UNRRA after some months of negotiation grew out of the activities of a number of separate wartime organizations. These included the British Committee on Surpluses, set up early in the war; the Inter-Allied Committee on Post-War Requirements, established in September 1941 to estimate the extent of post-war needs; the Middle East Relief and Refugee Administration, organized by the British to operate refugee camps; and the Office of Foreign Relief and Rehabilitation Operations, created in December 1942 in the U. S. Department of State. The agreement creating UNRRA to administer relief to victims of war in areas under the control of the United Nations was signed by the 44 United and Associated Nations at the White House on November 9, 1943.

President Roosevelt, acting as host on this historic occasion, hailed the establishment of UNRRA as putting "into practical effect some of the high purposes" set forth in the Atlantic Charter. UNRRA, said the President, "makes the first bold steps toward the practicable, workable realization of a thing called freedom from want."

Organization and Finance

The Council of UNRRA, which is the central policy-making body, is made up of one representative from each of the 44 member governments, each of which has one vote. Decisions are made by a simple majority vote. The Central Committee, composed of representatives of China, the Union of Soviet Socialist Republics, the United Kingdom, and the United States, is authorized to make emergency policy decisions between sessions of the Council, subject to later reconsideration by the Council. Two regional committees—the Committee for Europe, with an office in London, and the Committee for the Far East—recommend relief policies for these areas. Standing committees include the Committee on Financial Control and the Committee on Supplies, which is composed of representatives of the chief supplying nations and is concerned with general policy on the provision, financing, and transport of supplies. Five technical committees advise the Administration in the fields of agriculture, displaced persons, health, industrial rehabilitation, and welfare.

The Administration, with headquarters in Washington, D. C., has adopted a functional organization similar to that of the Council, with divisions corresponding to three of the standing technical committees and three bureaus, concerned with supplies, finance and administration, and areas. The administrative personnel has been recruited and selected with the aid of the civil-service agencies of the Governments of Canada, the United Kingdom, and the United States. On June 30, 1944, the staff included nationals of 21 member governments.

All member nations share in the administrative expenses of the Administration, with allotments to the member governments fixed by the Council. The resources used for relief operations are derived principally from contributions by member nations that have not been invaded; it has been recommended by the Council that these nations contribute to this purpose approximately 1 percent of their national incomes for the year ending June 30, 1943.

Provision of Relief Supplies

Estimates of relief supplies required by liberated areas are made in consultation with the governments and are submitted to the Combined

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Boards—that is, the various boards of supply of the United Nations—which allocate goods in short supply among the military, lend-lease, allied governments with foreign exchange assets, and UNRRA. Procurement of supplies, in general, is carried on by the official procurement agencies of the supplying countries to fill requisitions filed by UNRRA. In the United States, an Executive order of July 6, 1944, gave the Foreign Economic Administration responsibility for United States procurement for UNRRA.

Immediately upon liberation of an area, the military undertake responsibility for civilian relief to the extent necessary to prevent disease and unrest prejudicial to military operations. For planning purposes, this is estimated as a 6-month period although in fact it may be shorter or longer. When the military relinquish control over the area, the civilian government or recognized national authority will assume responsibility. Governments that have foreign exchange resources for the purchase of supplies will cooperate with UNRRA in obtaining allocation of relief supplies from the Combined Boards. Member governments without foreign exchange resources may request UNRRA to provide supplies.

Basic Policies Adopted at Atlantic City

The basic policies for the administration of relief were established by the Council at its historic first session in Atlantic City, November 10-December 1, 1943. Briefly summarized, they include, among others:

1. Operations are limited to relief activities administered in such a way as to be rehabilitative—to help people to help themselves—but rehabilitation is defined as coterminous with relief and not as the beginning of reconstruction. The Administration may provide supplies to meet immediate needs—food, clothing, shelter, and medical supplies—and materials for rehabilitation, such as seed, fertilizers, raw materials, and machinery, to enable countries to provide themselves with relief supplies. The Administration may also supply technical services essential to the relief and care of the people and to the return of displaced persons to their homes, and it may restore necessary public services such as light, water, sanitation, power, and transport.

2. The Administration is to operate in liberated or other areas under the control of the United Nations, determined in consultation with the government or the military or civil authority in the area. It may not operate in enemy or ex-enemy areas unless the Council approves the scale, character, and standard of operations and the expense is borne by the enemy or ex-enemy country. In such cases, the Administration must operate under the control of the military command or recognized administration of the area. The Montreal session modified this policy in certain respects and interpreted its application to Italy, now a cobelligerent, and to certain groups.

3. Whether relief is to be provided to a particular area and the amount to be given are determined by the extent of need, not by the ability of the area to pay for supplies and services.

4. Insofar as possible, the government or recognized national authority is to be responsible for distributing supplies and services within an area.

5. Relief is to be distributed fairly within an area on the basis of the relative needs of the population and without discrimination because of race, creed, or political belief.

6. Relief supplies are to be distributed insofar as possible through normal governmental, commercial, and cooperative agencies of distribution as long as such a plan provides for adequate control of distribution.

7. As long as hostilities or military necessities exist in an area, the Administration may operate there only with the consent of the military command and under its control.

8. Coordination of UNRRA's requirements for supplies and transportation is to be obtained through the use of the existing intergovernmental agencies for the allocation of supplies and shipping.

9. In the administration of welfare services, nonindigenous voluntary relief agencies are to be used, when practicable, to give services in which they have special competence, under the supervision of the Administration. It is believed that the resources, personnel, and skill of voluntary agencies will be needed but that they should be integrated with the UNRRA program as a whole to prevent either duplication of service or gaps in service. Consequently the agreement establishing UNRRA provides that in areas receiving relief from UNRRA,

foreign voluntary agencies may not initiate operations unless subject to the regulation of the Administration.

Action at Montreal

Almost 10 months after the adoption of these initial policies—months of planning and preparation for the day of liberation and ensuing field operations—the Council held its second session in Montreal, September 16 to 26, 1944. Against a background of swiftly moving military action and impending liberation of Nazi-dominated Europe, the Council considered practical questions of immediate importance to speedy operation. The keynote of this session was voiced by the United States member of the Council, who said, ". . . the watchword of this period is urgency . . . there can be no delay, there can be no more meetings; we must be prepared to act." In preparation for action, the Council added some new policies, clarified the application to particular situations of the basic policies adopted earlier, and in other ways facilitated and speeded up operations.

Extension of Coverage

At the Montreal session, the Council was first concerned with questions of extending the coverage of UNRRA operations to additional areas and groups of people. Some of these questions involved only clarifying the application of existing policies to groups whose status was not clear. Others had to do with modification of fundamental policies adopted at the first session, especially those relating to operations in enemy or ex-enemy territory or to return of displaced persons of enemy or ex-enemy nationality.

With occupation of Germany and other Axis territory imminent, the need for operations essential to the protection and welfare of the United Nations themselves was obvious. Consequently, operations in enemy or ex-enemy territories were authorized for the control of epidemics and for the care and repatriation of displaced nationals of the United Nations. This resolution also covered other persons who have been obliged to leave their homes or have been deported by the enemy because of race, religion, or activities in favor of the United Nations.

Aid to Italy.—Italy represented a separate issue because of its peculiar status as a former enemy and aggressor nation which is now fighting with the Allies against the Nazis. Whether some aid should be given to the Italians themselves was the most controversial question considered by the Council at this session. The occupied European nations feared that aid to Italy would reduce the supplies available to them. The nations that have suffered Italian occupation inevitably found it hard to approve this step. The United States member introduced a resolution providing that, in addition to the type of operations already approved for ex-enemy territory, limited aid be undertaken for Italian victims of war. The aid contemplated was to include only (1) provision of medical and sanitary aid and supplies, (2) assistance in the care and return to their homes of displaced persons, and (3) care of, and welfare services for, children and expectant and nursing mothers. The Director General was authorized to expend up to \$50 million in foreign exchange for this program.

The most dramatic point of the session came when, following the introduction of this resolution in the Committee on Policy, the victims of Fascist aggression and occupation—Yugoslavia, still at war with Italy, Greece, and Ethiopia—rose one by one to describe the cruel sufferings of their peoples at the hands of the Italian invaders but to say that for humanitarian reasons they would not oppose the resolution.

Before acting on this proposal, however, the Nazi-occupied nations—with Norway acting as their spokesman—wanted assurance that the program for Italy would not reduce assistance to their own peoples. After overnight study of the question, the Director General reported that operations in Italy would have only a slight effect upon supplies and services for occupied countries. The supply of sugar and fats, which is short, will require minor adjustments on the part of the supplying nations in order to avoid interference with provisions for other countries. The Italian program does not call for supplying clothing and shoes, of which stocks are also insufficient. Private agencies will be relied upon to provide clothing to Italian war victims. Medical and sanitary supplies are available.

After hearing this reassuring re-

port, the Council unanimously approved the program for Italy. The resolution, however, was adopted with the reservation that it would not constitute a precedent for operations in other enemy or ex-enemy areas. The action of the Council with respect to Italy does not, of course, make Italy a member of UNRRA and, during the debate on the resolution, the member from France stated that UNRRA's action should not result in the extension to Italy of "the privileges, or the right to assistance enjoyed by the United Nations."

Aid to other groups.—Restrictions on assistance to persons of enemy nationality were further modified by action to permit assistance to Jews and other groups of enemy nationality who have been persecuted by the Nazis. This resolution authorized the Administration to undertake the care and return to their homes of persons of other than United Nations nationality who are found in liberated territory because they have been obliged to leave their homes or have been deported by the enemy because of their race, religion, or activities in favor of the United Nations.

A resolution providing for the removal and return to their own country of enemy or ex-enemy nationals who have been intruded into the homes of United Nations nationals in liberated areas cleared the way for the return of the several million Germans who, it is estimated, have settled in the occupied countries. The consent of the government of the liberated area where these persons are found is necessary. The costs of such operations are to be paid ultimately by the enemy or ex-enemy country.

The status of certain other groups of people who might be considered of enemy or ex-enemy nationality was clarified. The inhabitants of the Dodecanese Islands, who are almost exclusively Greeks but have been under Italian rule for 30 years, were brought within the scope of UNRRA's activities. Proposals introduced by the Yugoslav and Polish delegations to authorize aid to minorities of Yugoslav or Polish nationality or origin were withdrawn with an expression of hope by the delegates that the adoption of the resolution on the Dodecanese Islands would constitute a precedent that would permit aid to other population groups in a similar situation.

Particularly difficult was the question of repatriating displaced persons now in allied countries that have never been occupied by the enemy. On the recommendation of the Standing Technical Committee on Displaced Persons, the Council finally approved principles to guide the Administration. UNRRA's resources for the repatriation of individuals now in countries never occupied by the enemy are to be used mainly for congregated groups, rather than for individuals. Only needy persons who cannot arrange for their own return are to be helped. UNRRA will assume responsibility for the care of such people awaiting repatriation only in areas where the resources for their maintenance are inadequate or cannot continue to be made available. Repatriation of displaced persons will be undertaken only with the approval of the governments concerned.

In pursuance of a recommendation of the U. S. Congress, the Council, on the motion of the American member, authorized UNRRA to operate in areas under the control of the United Nations and of military importance that are stricken by famine or disease. The motion was strongly supported by the member from India whose Legislative Assembly had made a similar recommendation.

Bases of Requirements

The second concern of the Council was with the adoption of bases of relief requirements or standards of assistance for Europe—the standards to be used in determining the need of individual European countries and the amount of relief supplies. At its first session the Council had provided that the Administration compute estimates of requirements for Europe in conformity with bases to be developed by the Council's Committee for Europe. At Montreal this Committee, after months of work, submitted its recommendations for bases for use in the European area and these were adopted. They include bases of requirements for food, clothing, medical supplies, and supplies for agricultural and industrial rehabilitation. The Director General was authorized to adopt bases for other articles and supplies. This action will permit the procurement of supplies that may be required in administering welfare services, such as equipment for nurseries and child-feeding centers.

A resolution put forward by the Soviet Council member recognizes that UNRRA's primary responsibility is to obtain relief and rehabilitation supplies for liberated areas of the United Nations and that special weight and urgency shall be given to the needs of those countries in which the devastation and suffering are greater and have resulted from hostilities and occupation by the enemy and active resistance during the war.

Other Actions

Other important actions at the second session related to public health, rehabilitation, and membership.

Revision of the International Sanitary Convention of Paris of 1926 and the International Sanitary Convention for Aerial Navigation of 1933 was a major task. The Council approved in principle drafts of conventions amending the existing conventions which, if ultimately adopted, would authorize UNRRA to undertake on an emergency basis the public health functions previously exercised by the International Office of Public Health in Paris.

A resolution, sponsored by Czechoslovakia, stressed the limited character of UNRRA's functions in relation to rehabilitation and the need for more comprehensive measures of reconstruction of industrial production and transportation; it urged that the member governments provide a means of international cooperation for resolving problems of continued rehabilitation.

In anticipation of early liberation of Denmark, the Council authorized the Central Committee to admit Denmark before the next Council session, if after liberation an appropriate Danish government should apply for membership. India, as an important source of relief supplies, was added to the Committee on Supplies.

The second session of the Council decided practical questions important to operations and so cleared the way for action. It also renewed confidence in the organization and in the support of member governments. The United States member made a particularly strong statement concerning the support of his country: ". . . the Congress of the United States and the people of the United States are unreservedly behind this Administra-

tion. There is no question in the mind of any American now that UNRRA is the instrumentality which he will back to the limit in performing the task of relief." In the words of the Director General, "There has been at this conference a reaffirmation of the United Nations' belief in the high value of common effort to help people to help themselves, and a declaration of united faith in a high purpose."

The Welfare Committee

The Standing Technical Committee on Welfare advises the Council and the Administration on welfare problems and services. "Welfare" is interpreted to mean "(a) social relief such as food, clothing, shelter, and other basic necessities of life made available to persons unable through the effects of war to provide for themselves or their dependents, and (b) services for the personal rehabilitation of individuals requiring special help." It is expected that groups especially in need of welfare services will include children, particularly orphans and others separated from their families, expectant and nursing mothers, the aged, persons disabled by the war, and homeless families.

Welfare policies adopted at Atlantic City, stressing nondiscriminatory administration and provision of relief in a way that preserves morale and helps maintain self-respect, required no modification at the second session. During recent months the Welfare Committee has devoted itself especially to advising the Administration in regard to relief methods to be used under emergency conditions in newly liberated countries. A comprehensive report on methods of organizing emergency welfare services has been prepared in the headquarters office, not only to serve as a basis for general welfare policies of UNRRA but also to provide principles that will be helpful to governments and to international voluntary agencies in planning their own relief programs. The report includes sections on information services, emergency feeding and shelter, clothing and household supplies, cash assistance, child and family services, occupational activities, and services in temporary communities and to welfare institutions.

Staff of the Social Security Board prepared the chapter on the use of cash in meeting emergency relief needs, covering guides for programs administering cash assistance and basic principles governing the emergency use of social insurance benefits and other types of cash payments, such as family allowances and noncontributory pensions. At the Atlantic City session, the Subcommittee on Welfare had suggested both cash relief and social insurance as methods of implementing the principle of helping people to maintain self-respect.

The principles suggested in this report are for the most part embodied in a statement recommended by the Committee on Welfare for issuance by the Administration as a statement of its welfare policy. The Subcommittee on Welfare for Europe, in conjunction with other subcommittees, has developed a number of reports of a more specific character, such as welfare services and information and advice services for displaced persons in assembly areas.

At Montreal the Welfare Committee recommended the development of a plan for reporting on relief activities by individual countries. Such a system will provide information not only on programs in areas where UNRRA operates but also in those where relief is carried on without UNRRA's aid.

Technical subcommittees, including one on welfare, have been appointed for the Far East. Offices are now to be established in Sydney and Chungking. A survey mission was sent to China last spring, and China has now submitted its estimate of requirements which far exceed those submitted by any other country. The months ahead will see intensive preparation for Far Eastern activities as well as European operations. Missions to Poland and Czechoslovakia to plan for further programs in these countries have been announced. A mission to South America will promote greater understanding and interest in the program of UNRRA.

The Council ended its second session with emphasis on the need for full support of each of the United Nations. In the words of the Chairman: "For better or for worse—in success or failure—we are as surely roped together as any climbers who ever scaled a mountain peak. We go up—or down—together."

Seasonal Employers and Seasonal Workers Under State Unemployment Compensation Laws

By Marianne Sakmann Linnenberg*

A recurring problem in the administration of the unemployment compensation program is whether workers who suffer regularly recurring spells of seasonal unemployment and are available for work during the off season should be compensated on the same basis as other workers whose unemployment is irregular. In most States, seasonal workers enjoy the same benefit rights as other covered workers, but a few States impose restrictions on seasonal workers. This article is a summary of a report on seasonality provisions which has been distributed by the Bureau of Employment Security to all State employment security agencies.

SEASONAL EMPLOYMENT has long been recognized as a special problem in unemployment insurance. One of the most significant differences in the coverage of Federal old-age and survivors insurance, on the one hand, and of the Federal Unemployment Tax Act, on the other, is that the latter applies only to employers who have eight or more employees in each of 20 different weeks in a tax year, whereas the former applies to all employers in covered industries regardless of the number of their employees or the length of their operations.

Only three State unemployment compensation programs (the District of Columbia, Hawaii, Washington) are as broad as old-age and survivors insurance, including all employers in covered industries who have one or more employees at any time of the year. All others exclude employers whose operations do not extend over a certain number of days or weeks within a year, or whose pay roll is below specified amounts within a calendar quarter or calendar year. Many of these laws follow the provisions of the Federal Unemployment Tax Act and, therefore, do not cover highly seasonal firms, such as resort hotels and cotton gins, operating for less than 20 weeks in the year.

*Program Division, Bureau of Employment Security. The author acknowledges gratefully the help received from State agencies which administer seasonality provisions. Much of the information presented here was furnished by these agencies through correspondence or personal interview.

All States except the District of Columbia (which has no agriculture) exclude employment in agriculture, one of the most markedly seasonal industries.

Even if a short-season industry is covered, persons who work in such an industry may be ineligible for benefits because they do not work for a sufficiently long time or do not earn enough to meet the qualifying requirement of the State law. Surveys in various States before the war showed that many persons working for canneries or beet-sugar refineries did not earn enough to qualify for unemployment benefits unless they supplemented these earnings through work in other covered industries (*1a-1e*).¹

Several States have considered these over-all restrictions insufficient for dealing adequately with the problem of seasonal unemployment and have singled out additional groups of seasonal employers and seasonal workers for special treatment under their unemployment compensation laws. In doing so, the States have proceeded in one of three ways: they have modified still further the coverage provisions, or tightened up the eligibility requirements, or assigned to seasonal industries and seasonal workers a position intermediate between full coverage and exclusion.

The first method may be illustrated by an amendment added in 1940 to

¹ Italic figures in parenthesis refer to sources and related materials listed at end of article.

the Mississippi law to exempt cotton-gin workers from coverage altogether (2). The Wisconsin law excludes services in logging operations—a type of service which is covered by all other State laws. The Wisconsin law also excludes employment in establishments engaged in canning perishable fruits and vegetables if the worker is employed only during the active season and if he has earned less than \$100 from other covered employers in the year preceding his employment by the cannery.

The California \$300-a-year qualifying requirement, which went into effect as of December 1, 1939,² is an example of the second method. This requirement originated from a study of workers in fruit and vegetable canneries, which revealed that 60 percent of the women workers found no employment and had no desire to be employed outside the canning season, and that three-fourths of all the women had earned less than \$300 during 1937 in canning work (3, pp. 51-54). The California legislature wanted to disqualify cannery workers from receipt of benefits if they worked exclusively in canneries and were not in the labor market during the off season. Instead of drafting a provision specifically designed for this type of seasonal worker, the legislature raised the general eligibility requirement and made it applicable to all covered workers.³

Florida considered following the California method and adopting a stricter eligibility requirement. However, the seasons in Florida are long; that of the citrus industry, for example, extends from October through June. It is generally recognized that an eligibility requirement should not be so restrictive as to exclude from benefit workers who are employed for 9 months in a year. Hence it was doubtful whether an eligibility requirement strict enough to exclude

² Before that time, the qualifying wage was \$156 for workers who had earnings in only 2, 3, or 4 quarters of the 2-year base period, or an average quarterly wage of \$39 for workers who had earnings in 5 or more quarters of the 2-year base period.

³ Because of increase in wages during the war, most of the workers who were intended to be excluded by the \$300-a-year earnings requirement are again eligible for benefits. The agency is now attempting to find other means for accomplishing the result which was achieved only temporarily by increase in the qualifying-earnings requirement.

seasonal workers would be accepted by the Florida legislature (4, pp. 12-13).

So Florida, as well as a number of other States, followed the third method. They adopted special provisions to prevent seasonal workers from drawing what was considered to be an unduly large proportion of unemployment compensation funds or to protect seasonal employers against adverse experience ratings. Thus, instead of excluding cotton-gin workers altogether, Arizona designates the cotton-gin industry as seasonal and permits cotton-gin workers to draw benefits only during the active cotton-ginning season. Oregon, like Wisconsin, considered the lumber industry to be particularly hazardous from the point of view of unemployment insurance, but instead of excluding it Oregon grants seasonal status to employers in the industry whose operations are subject to wide seasonal fluctuations and curtails the benefit rights of lumber workers. Florida has twice changed the status of its citrus-packing and canning industry. Originally, this industry was covered on the same basis as other industries; then, during 1940 and the first 2 quarters of 1941, it was excluded as agricultural labor. On July 1, 1941, it was brought under coverage again, but services performed in it were classified as seasonal employment and the benefit rights of its workers were restricted.⁴

Provisions calling for special treatment of seasonal employers and seasonal workers under unemployment compensation were included in the original laws of 20 States and have been incorporated at one time or another in the laws of 33 States. Eleven of the 33 have repealed their seasonal provisions; only 1 of the 11, Kentucky, had ever put them into effect. At the present time, seasonality provisions are in operation in

only 13 States but are included in the laws of 9 additional States, as follows:

<i>Provisions in effect</i>	<i>Provisions not in effect</i>
Alaska	Alabama
Arizona	Georgia
Arkansas	Maine
Colorado	Missouri
Delaware	New York
Florida	North Carolina
Hawaii	Ohio
Michigan	South Dakota
Minnesota	Vermont
Mississippi	
Oregon	
South Carolina	
Washington	

The seasonality provisions of Michigan are unique in merely exempting certain seasonal firms from experience rating without curtailing the benefit rights of the employees of these firms. All other States with such provisions reduce the benefits of seasonal workers. A worker is affected by the provisions only if his employer has been designated as seasonal under the State law. Moreover, in the majority of States, his benefits are curtailed only if he has had a substantial amount of employment with a seasonal employer. Commonly, the restrictions imposed on such a worker take the form of denial, during the employer's inactive season, of either all his benefits or at least that portion of his benefits which is based on wage credits derived from seasonal employment.

Although coverage and eligibility provisions constitute means for coping with the problem created for unemployment insurance by seasonal fluctuations in employment, this report considers only the special seasonality provisions included in a number of State laws. It discusses the reasons which have led State legislatures to adopt them, shows the results of their operation, analyzes their substantive content, and attempts to evaluate them in the light of actual experience.

Reasons Underlying Special Seasonality Provisions

Several reasons have been advanced for singling out seasonal workers or seasonal employers for special treatment under unemployment compensation. It is said, for example, that seasonal workers enter the covered labor market only during the season

and do not seek employment the rest of the year. Or it is argued that their wages while they are at work are sufficiently high to carry them through the slack period without recourse to unemployment benefits. Some believe that, in the absence of special seasonal provisions, there is danger that payment of benefits to seasonal workers will leave insufficient resources for the workers suffering from cyclical or other types of long-continued unemployment. Some fear that benefits of seasonal workers during the off season might constitute a wage subsidy to seasonal industries and lower wage rates in those industries. Again, it is said that, since seasonal unemployment recurs regularly from year to year, it is predictable and hence should not be covered by insurance.

In some States, these reasons are overshadowed by a concern lest seasonal employers be required to pay adverse tax rates under experience rating, and the seasonal provisions were drawn primarily, or even exclusively, to improve the position of seasonal employers under experience rating.

Unavailability for Work During Off Season

All unemployment compensation laws require as conditions for the receipt of benefits not only that the worker meet the qualifying-earnings or employment requirement, which tests his attachment to the covered labor market in the preceding 1 or 2 years, but also that he be able to work and available for work at the time he claims benefits. Seasonal workers, like other covered workers, are subject to these requirements; if they do not hold themselves available for work during the off season, they are ineligible for benefits under all State laws. For example, a referee in Oregon held unavailable for work "a seasonal worker who was ordinarily not engaged in other work but who remained at home performing her household duties during the periods of the year when her industry and her specific employment therein were not in operation and who was not prepared to take any alternative work during the off season except in her own customary and regular work, which work did not then exist." The referee went on to say, however, that

⁴ The status of the citrus-packing industry under the Florida law prior to 1940 is not quite clear. According to the decision of a Florida circuit court, the packing-house operations of a certain fruit company were excluded as agricultural labor under the original unemployment compensation law (5). There is no record of a reversal by a higher court of this decision. Yet the annual reports indicate that benefits were paid by the agency on the basis of wages earned in the citrus-packing industry prior to 1940 (6).

the presumption that a seasonal worker is not available for work in the off season "may be overcome by any evidence strong enough to establish a *prima facie* case to the contrary" (7).

The last part of the decision indicates that the availability test can be applied satisfactorily only by taking into account the individual circumstances surrounding a particular claim and that, moreover, a decision whether a seasonal worker is available for work in the slack season is often a matter of judgment rather than one of precise determination. Because of the difficulties surrounding the availability test when jobs are scarce, it is not surprising that this test has been applied to seasonal workers with different results in very similar cases. The West Virginia Board of Review, for example, denied benefits to a public school teacher during summer vacation; the benefits were to be based on wages earned in covered employment during the preceding summer (8). In similar circumstances a public school teacher in Kentucky was considered eligible for benefits during his summer vacation (9).

The difficulty of deciding whether a seasonal worker is available for work during the off season may be illustrated by a situation in Biloxi, a fishing and fish-canning town in southern Mississippi. The working people of the town are, for the most part, of central European or Louisiana French origin. The men are fishermen, and the women work in the fish-packing plants. According to regulations of the State Seafood Commission, no fishing boats may leave port between April 30 and August 16. The fish-packing plants close down for a few months each summer. Before the war, Biloxi offered no work opportunities during the summer months, but the opening of Keesler Field, a large army base outside Biloxi, changed the situation. The Post Exchange of the Field is willing to hire workers on a temporary basis; seafood workers who accept work there during the summer months are free to return to their regular work when the seafood plants open in the fall. Nevertheless, few of the seafood workers seek employment at the Post Exchange. The local employment office does not encourage

them to do so, because it fears that once the workers have shifted to the Exchange, they might fail to return to the seafood industry. The workers, most of whom are housewives, do not want employment at the Field because it is rather far from their homes and the hours are less convenient for them than the hours at the seafood plants. Work in the seafood plants is paid by the piece and is arranged so that the workers do not have to keep to a fixed schedule of working hours. It is very well suited for combination with household responsibilities. Employment at the Post Exchange necessitates continuous absence from the home for about 10 hours a day.

Unquestionably, the women seafood workers of Biloxi would work at the seafood plants during the summer if the plants offered work at that time, but it is doubtful whether they are available for other types of work unless the working hours are flexible.

Doubt as to the availability for work during the off season of a group of pecan shellers was a factor in granting seasonal status to the pecan-shelling industry of Mississippi. A pecan-shelling plant in Natchez operates every year from October to May and employs about 90 Negro women during the season. The plant is subject to the Fair Labor Standards Act, and weekly wages vary from \$16 to \$20. After one of the recent seasonal shut-downs, a number of these workers filed claims for unemployment benefits. The employment office referred them to domestic service at \$2 or \$3 a week, which they refused to accept. The agency held that, in view of the low wages, the work was not suitable, and the women were permitted to continue drawing benefits. Later in the summer some women claimants were referred to cotton picking, in which they could have earned between \$8 and \$10 a week. Again the women refused to accept the offered work, but this time the agency held that for the women who had worked as cotton pickers within the preceding 2 or 3 years the work was suitable and that they were no longer eligible for unemployment benefits. A few claimants were permitted to continue drawing benefits because they had no previous experience in agricultural work. The women whose benefits were discontinued appealed. The referee held that they

were unavailable for work and therefore ineligible for benefits. He did not go into the question of the suitability of the offered work. Then the women appealed to the Board of Review, which decided that cotton picking was not suitable and that the women were available for work.

Most of the women employed in the pecan-shelling plant are housewives. If they had accepted the work as cotton pickers, they would have had to leave on trucks at daybreak and would not have returned home until night. Thus, they would have been unable to look after household and children. The pecan-shelling plant is so close to their homes that they can dovetail employment in the plant with their household duties.

The decision of the Board of Review caused considerable dissatisfaction in Natchez, because workers were urgently needed then, both in domestic service and cotton picking. As a result of protests, the agency decided to declare the pecan-shelling industry seasonal, thus depriving the pecan shellers of benefits during the summer months.

The situation in Natchez was complicated by the fact that wages in domestic service and agriculture are exempt from the minimum of 40 cents an hour, which applies to wages in pecan shelling. Because of the discrepancy in wage levels, the availability of the workers could not be tested satisfactorily.

Regular unemployment during the off season is not necessarily proof of unavailability for work. A Delaware employer whose operations had been confined to canning fruits and vegetables planned recently to add meat canning to his other activities. He had been able to give employment only during the summer and early fall, but with the addition of meat canning he could operate on a year-round basis. Upon inquiry, he learned that most of his workers, many of them housewives who previously had had only summer employment, were willing to work for him during the winter as well.

The studies conducted by State agencies to investigate the relation of seasonal unemployment to unemployment compensation point to the conclusion that the group of workers who want to work only in seasonal

industries and only during a portion of the year is confined mainly to housewives working in canneries, resort hotels, or stores, and students who take jobs in the summer vacation.⁸ Most workers attached to such highly seasonal industries as canneries, sugar refineries, or cotton gins shift to other employment when the seasonal industry closes down. In a significant number of cases, the dovetailing activity is wage work or self-employment in agriculture. Some workers migrate to other States in their search for off-season jobs.

Rightly or wrongly, some State administrators believe that persons whose claims against the State fund come from other States are not exposed to work opportunities as effectively as intrastate claimants and, therefore, that their availability is not sufficiently tested. Whatever the disadvantages of the interstate benefit payment plan in this regard, unemployment is difficult to determine for any group of workers who are self-employed during part of the year. This is true also of the disqualifying provision incorporated in many State laws under which benefits may be denied a claimant if he refuses to return to his customary self-employment. As stated in a discussion of seasonal provisions in Mississippi, "investigating numerous cases in which claimants may have failed to return to customary self-employment [on farms and elsewhere] . . . and disqualifying [them] . . . would involve excessive administrative expense and complication" (10, pp. 10, 14).

"Moreover, there is a greater possibility that individuals will seize an opportunity to refrain from taking their customary off-season employment if it is a job on a farm, since the compensation of farm labor is generally less than that of work in factories and most other employments in town and cities. The possibility must even be considered that an individual's weekly benefit income in unemployment compensation, being in many cases approximately one-half of his ordinary earn-

⁸ A California study revealed that there is little interchange of workers between the lumber industry and other industries of the State. A lumber worker who has no employment in his industry during the slack season usually remains unemployed until the season starts in the spring. It is not known whether this finding would be substantiated in other Western States (3, pp. 32-33).

ings in covered employment, might compare favorably in amount with what he could earn by returning to the farm" (11, p. 106).

The seasonal provisions which deny benefits to seasonal workers during the off season relieve the administrative agency of troublesome tasks. They fail, however, to differentiate between workers who are available for work during the off season and those who are not. Among the persons working for seasonal establishments there is a group (notably housewives and students) who do not want jobs when the season is over, and there are those who return to self-employment. However, many of the workers who are considered seasonal under State laws are in the labor market the year round. The administrative advantages of seasonality provisions are attained at the expense of the latter. The Justice of a protest filed by a beet-sugar worker in Washington against the seasonal rulings cannot be denied: "I object to being classed as a seasonal worker. I believe I should be entitled to unemployment compensation when I cannot find work" (12).

Wages of Seasonal Workers

Special benefit restrictions for seasonal workers are justified sometimes by the assertion that their wages are high enough to permit them to save substantial amounts for the off season. Whether or not seasonality calls forth high wage rates in some industries, wages are comparatively low in the industries which have been held seasonal under the seasonality provisions now in effect. With only the exceptions of lumber workers in Oregon, whose wages appear to be slightly above the average for the State (13, p. 5), and of persons engaged in salmon canning and placer mining in Alaska, the wages of workers affected by seasonal provisions fall well below the average wages of other covered workers. The seasonal workers with which the State laws are concerned are, on the whole, unskilled and unorganized and, at least before the war, were poorly paid. The high-wage argument is invalid for them.

Predictability of Seasonal Unemployment

An argument occasionally advanced in favor of special provisions for sea-

sonal workers is that insurance is not suited to the coverage of risks which are likely or certain to occur in the foreseeable future. This argument is derived, at least in part, from the experience of commercial insurance companies without recognition that it does not apply with the same force to compulsory social insurance. Commercial insurance companies, for which coverage is voluntary, must guard against the danger of being overloaded with poor risks. Compulsory social insurance, however, can achieve an even distribution of risks. By refusing to permit the good risks to stay out, it can extend coverage to the bad risks. The unemployment risk is high in seasonal and irregular industries, but in unemployment insurance this high risk is offset by the low risk in industries with year-round operation.

On the basis of past experience and an analysis of the current state of the labor market, a statistician may be able to predict, with a fair degree of accuracy, the volume of unemployment resulting from a seasonal shutdown. However, there is no way of knowing in advance which of the individuals employed by the seasonal firm will find other jobs during the off season and which will remain unemployed. Loss of the seasonal job may be a certainty for the individual worker, but if he is in the labor market throughout the year, he cannot foresee whether he will remain unemployed during the slack season. All cotton-gin hands, for example, know that the cotton gin will close down after the cotton has been harvested. Most find other work during the off season, but some remain unemployed. The individual worker does not know in advance to which group he will belong. His unemployment is by no means certain and, therefore, cannot be predicted.

What may be predictable with a fair amount of assurance is that a job will be available again at the opening of the next season. To the extent that the worker has a fairly good prospect of reemployment in the future, he may be in a position to obtain credit from tradesmen and others, but availability of credit is, of course, no reason for denial of unemployment benefits.

The seasonal provisions of North Carolina, which are not yet in effect,

are based on the concept of predictability of reemployment. An employer would not be granted seasonal status unless he had agreed to give work during a given season to all his employees who earned as much as \$10 in the preceding season. At least 5 days prior to the opening of the new season, he would have to make the offer to his old employees through the U. S. Employment Service, and he would have to make as much work available to them as they had in the preceding season. Failure to live up to the agreement would result in loss of seasonal status.

Danger of Insolvency

Before the war, some States, where seasonal industries are an important part of the industrial pattern, had been concerned lest claims by seasonal workers endanger the solvency of the unemployment compensation fund. The same type of problem existed in States where one single heavy industry or irregular industries dominated the economy. Under present conditions, such considerations recede into the background, but this danger was real enough in some States before the war and probably will arise again when the war is over.

In Oregon, the largest covered industry is logging and lumber manufacturing, which accounts for more than 20 percent—together with food manufacturing, for nearly 29 percent—of the total covered pay roll. In 1938, the first year of benefit payments, benefits exceeded contributions by \$170,000, or 3 percent, despite the fact that seasonal provisions had resulted in reducing all benefit payments by 4 percent. During the following year, the balance of the fund was amply restored, and contributions amounted to nearly twice the benefit payments. This was partly because, in the meantime, the Oregon agency had restricted still further the rights of seasonal workers so that, in 1939, 26 percent of all claims were adjudged seasonal and the estimated reduction in benefit expenditures amounted to 13 percent of the total (13, pp. 1, 3, 39). As a result of a 1941 amendment of the Oregon law, which limited the applicability of seasonal provisions, the number and proportion of seasonal claims have declined sharply.

In Mississippi, industries identified with cotton—apparel manufacturers,

textile mills, cottonseed-oil mills, cotton compresses and warehouses, fertilizer plants, and cotton gins—account for 16 percent of all covered employment. During the year ended April 30, 1939, the first year of benefit payments, contributions exceeded benefits by about \$500,000. In the absence of seasonality provisions, seasonal workers would have used up most of this surplus, and benefits would have been rather closely in line with contributions (11, p. 291).

In Florida, also, seasonality was a financial problem of considerable proportions before the war. All major industries show a marked decline during the summer, when the tourist trade is at its lowest ebb and the fruit and vegetable crops have been harvested. Contributions have been sufficient in every year to finance the benefits of that year, but in 1940 the margin was rather slim, since benefit payments amounted to 98 percent of contributions (14, p. 171).

The States which adopted seasonality provisions to balance benefit expenditures with contributions were not alone in having financial problems before the war. Because of lack of diversity in industrial activities, benefits occasionally exceeded contributions in the Rocky Mountain States, and this was true also of certain other States with a preponderance of heavy or irregular industries. Just as claims in these latter States may create financial difficulties, so claims on the part of seasonal workers may constitute a threat to the solvency of the unemployment compensation fund in States in which seasonal industries predominate. As long as each State has to provide against the risk of unemployment without the advantage of pooling its resources with those of other States, these States are faced with two alternatives if the threat materializes. Either contributions have to be increased or benefits curtailed. If increase in contributions is unacceptable, then the question is whether curtailment of benefits should apply to all covered workers or should affect only workers in seasonal industries.

Distribution of Benefits Among Seasonal and Nonseasonal Workers

Before the war, seasonal provisions were justified on the ground that they

are needed to insure equitable distribution of unemployment insurance funds among the unemployed insured population. Proponents of seasonality restrictions argued that groups of workers who are unemployed regularly year after year should not be permitted to draw on the unemployment fund to the detriment of steadily employed workers who may have a long spell of unemployment during a depression. If compensation of seasonal unemployment is restricted, they said, funds would be available to lengthen duration and thus make better provision against depression and other types of long-continued unemployment. A New York report states the problem as follows: "What is an 'abnormal' drain on a pooled-fund system is a matter of policy and not a matter of statistics alone. The choice must be made between compensating recurrent unemployment each year or saving the fund for extensive and long-period unemployment, adjusting the duration of benefits to meet the long-period problem" (1c, p. 13).

To the extent that the fund is reduced by payment of benefits to workers who suffer intermittent or recurrent unemployment year after year, the benefit rights of steadily employed workers may be curtailed and stable industries help to finance the risk of unemployment in seasonal and irregular industries. But the elimination of seasonal unemployment from compensation under unemployment insurance can be justified only if it can be shown that this is a type of unemployment for which compensation is less urgently needed than for other types of unemployment. For most of the workers who are affected by seasonal provisions such evidence is lacking. They fall in the same category as workers in mining, construction, and many manufacturing industries subject to a heavy risk of unemployment.

Experience Rating

In some States, another financial consideration has influenced seasonal provisions. In those States it is not so much concern regarding the condition of the State fund as a desire to protect individual employer accounts against adverse tax rates under experience rating that has led to the adoption of seasonal provisions. As stated in a New York report, "the chief

demand for seasonal determinations comes from employers in irregular industries who desire to reduce the payments to their workers in order to avoid an unfavorable record if experience rating becomes effective in this State" (15). Another New York report declares, "The existence of seasonal regulations in the States is often directly attributable to the existence of experience rating in the State laws" (16). In the words of the Unemployment Compensation Division of North Dakota, ". . . there would probably be no necessity for benefit discrimination against seasonal workers under this or any other unemployment compensation statute were it not that the North Dakota statute, in common with similar laws in other States, provides for a reduction of contribution payments by employers based on previous employment experience . . ." (17). In a number of other States, also, the main purpose of seasonal rulings is to increase the possibility of tax reductions for seasonal employers.⁶ (18; 19; 20, p. 27.)

Evidence on contribution rates of seasonal employers under experience rating is rather meager. Nevertheless, to the extent that it is available, it seems to indicate that, by and large, seasonal employers, along with employers in irregular industries, are subject to higher rates than other groups of employers.

Alaska, Mississippi, and Washington, which have seasonal provisions, do not have experience rating. Neither does New York, where the seasonal provisions have never been put into effect. In these States, seasonal provisions were adopted for reasons other than a desire to protect seasonal employers against adverse tax rates. As a matter of fact, some writers have doubted whether special seasonal provisions can be reconciled with experience rating. Thus, Matschek and Atkinson are of the opinion that "in a State with merit rating provisions, seasonal restrictions on benefits are a discrimination in favor of seasonal employers" (21). This view is also expressed in a report analyzing the seasonal provisions of Mississippi, a State without experience rating:

"It may prove impossible to reconcile this system with the theory and

⁶This was the origin of the seasonal provisions of Arkansas and South Carolina.

practice of merit rating. If an employer's rate is affected by the amount of benefit payments which have been charged to his account, the employers in the industry which receive special seasonal treatment will have a material and inequitable advantage as compared with employers in industries which have a seasonal variation of insufficient magnitude to bring them within the commission's definition of a seasonal industry . . ." (10, p. 14).

Seasonal provisions are in conflict with one basic aim of experience rating, which is said to be stabilization of employment. As one report points out, stabilization efforts have been successful chiefly in eliminating seasonal fluctuations. Seasonal provisions not only remove the incentive to stabilize from those employers who would otherwise be most affected by experience rating (22) but may even place a premium upon the concentration of employment in certain seasons and thus result in accentuating seasonal employment fluctuations. It must be admitted that most of the activities to which seasonal provisions have been applied are such that it is futile to strive for year-round operation. Industries in which operation is prohibited by law at certain times of the year (e. g., salmon fishing, horse racing) cannot stabilize, nor will efforts to stabilize succeed in industries which process perishable agricultural products available only at certain times of the year. Penalty rates under experience rating are imposed to allocate the costs of unemployment insurance in accordance with the severity of the risk of unemployment as well as to give the employer an incentive to eliminate or reduce fluctuations of employment. But when these tax burdens are "caused, not by acts of their own volition, but by the seasons of nature and the inherent nature of the cotton plant" (20, p. 30), seasonal employers have at times felt justified in demanding special concessions.

The question remains, of course, why seasonal unemployment should be the only type of unemployment singled out for special concessions to employers under experience rating. As stated in a Florida report, "while the seasonal fluctuations in Florida may be of such a nature that they cannot be controlled, the same is true of fluctuations caused by cyclical and technological factors" (22, p. 12).

The Gordian knot of conflicting experience-rating arguments was cut by Michigan when it suspended experience rating entirely for seasonal employers and made them subject to the basic tax rate of 3 percent regardless of their employment experience. It is significant that Michigan is the only State with seasonal provisions which does not modify the benefit rights of seasonal workers; they receive benefits on the same basis as other covered workers.

Considerations which may lead the legislature to lighten the tax burdens of employers should be separate and distinct from those which determine the unemployment benefit rights of seasonal workers. Only Michigan has recognized that action in one field can be taken independently of action in the other. All other experience-rating States have taken the attitude that tax relief of seasonal employers can be effected only through curtailment of benefits of seasonal workers. As a result, workers have been deprived of benefit rights though they earned these rights through work in covered employment and are available for work in the off season.

Results of Operation of Seasonality Provisions

Once a State has decided that seasonal industries or seasonal workers are to be singled out for special treatment under unemployment insurance, the crucial problem is to differentiate between seasonal and nonseasonal industries, and between seasonal and nonseasonal workers. During the war, production has been carried on at nearly full capacity the year round in many industries which formerly fluctuated widely from one period of the year to another. In many types of industrial activity, seasonal swings have lessened. While it may be too much to expect that production will stay at the same level after the war ends, such changes in seasonal swings cast doubt on the inevitability of these fluctuations.

The term "seasonal" industry is open to wide interpretations. In the parlance of economists, it includes all industrial activities which are characterized by annually recurring fluctuations of production and employment. Thus the coal-mining industry is said to be seasonal because it

Table 1.—Ratio (percent) of employees of firms with seasonal status to all covered workers, by State, and specified period

State	Date	Employees of firms with seasonal status	
		Number	Percent of all covered workers
Alaska	Pre-war	15,000	50.0
Arizona	Average 1942	1,100	1.2
Arkansas	1943 (at peak of season)	15,000	3.9
Colorado	1943	9,000	3.0
Delaware	1943 (at peak of season)	6,000	5.0
Florida	January 1942 (at peak of season), August 1942 (at lowest point)	11,662	3.8
Hawaii	July 1941 (at peak of season)	19,900	19.8
Minnesota	August 1942 (at peak of season), December 1942 (at lowest point)	11,195	2.4
Mississippi	1941	12,715	5.0
Oregon	1941 (at peak of season)	24,137	9.2
South Carolina	1943 (at peak of season)	2,190	1.5
Washington	1942 (at peak of season)	28,500	4.0

¹ Based on preliminary estimates of number of workers with wage credits in 1943.

² Number of quarterly wage items reported by each seasonal employer during the quarter of 1941 in which his employment was greatest.

³ Based on 372,000 workers with wage credits in the year ended Sept. 30, 1941.

reaches a peak of activity in the winter months which is followed by a decline in the summer. The wearing-apparel industry has two peaks, one in the early spring, the other in the fall. Other important industries which show definite seasonal swings are agriculture, construction, iron and steel, and automobile manufacturing. As a matter of fact, except for a few stable industries operating steadily the year round, such as banking and insurance, all industrial and much commercial activity has more or less marked seasonal characteristics.

The seasonal provisions of State unemployment compensation laws, however, do not embrace all seasonal activities. If they did, the entire structure of the laws would need to be changed since seasonal unemployment is one of the basic risks now covered. In Florida, seasonal provisions apply only to the citrus-packing and canning industry; in Delaware, Michigan, and Minnesota, only to activities concerned with the processing of agricultural products. The Arkansas law expressly specifies that the

business of exploring for, and the mining of, coal and other minerals for use as fuel shall not have seasonal status. While the seasonal provisions in the other State laws are worded so that they might apply to any industry with seasonal characteristics, in actual operation the only important industries with seasonal status are fruit, vegetable, and fish canneries; cotton gins, cotton compresses, cottonseed-oil mills; tobacco processing; and sugar refineries. Logging has been held seasonal in one State but not elsewhere. A few minor industries, such as resort hotels, private schools, sports, and placer mining, are also considered seasonal in some States, and Oregon has granted seasonal status to a few employers engaged in construction. By and large, it may be said that the seasonal provisions have singled out for special treatment industrial activities dependent on the weather or on a supply of seasonally available animal or vegetable products, and industries whose periods of operation are limited by convention or law.

The number of workers employed by firms which have been granted seasonal status under State laws is shown in table 1. It is comparatively small everywhere, except in Alaska and Hawaii, for which the table gives pre-war figures. Because of the disproportionate expansion of construction, which is not subject to seasonality provisions, the industries subject to such provisions in these two Territories are comparatively less important now than before the war. No employment figures are available for the seasonal firms in Michigan, but in terms of annual covered pay roll they constitute only 0.3 percent of all covered employers (23, p. 1).

Not all employees of seasonal firms are treated as seasonal workers when they claim unemployment benefits. Table 2 shows the number of claimants to whom seasonal restrictions were applied in States for which this type of information could be obtained.

Seasonal provisions have their most drastic effects in Hawaii, where a claimant is regarded as seasonal if he has earned more than one-fourth of his base-period wages in the pineapple-processing industry. Before the war, this industry employed only about one-fifth of all covered work-

Table 2.—Ratio (percent) of seasonal claimants to all eligible claimants, by State, and specified period

State	Year	Seasonal claimants	
		Number	Percent of all eligible claimants
Arizona	1942-43	11	0.3
Colorado	1942-43	280	3.0
Florida	1942-43	2,180	5.6
Hawaii	1941	1,811	48.0
Mississippi	1941	3,578	9.5
Oregon	1942	2,975	8.3
Washington	1941-42	2,350	4.7

ers but accounted for half of all claimants. Although the industry is covered by the law, practically no benefits are paid on the basis of wages earned in it. For the most part, the benefits of seasonal claimants who are eligible for unemployment benefits are based on wages other than those they earned in the pineapple-processing industry. Since the Hawaii fund has always been in excellent condition and benefit expenditures in no year exceeded 15 cents for every dollar collected, seasonal provisions were not needed for financial reasons. However, they are believed to have had substantial effect in reducing the tax rates of employers in the pineapple-processing industry under experience rating.

Although no figures are available for Alaska, it is probable that in the pre-war period the seasonal restrictions affected a not inconsiderable portion of the claimants and resulted in substantial curtailment of benefit expenditures.

In most other States, the seasonal provisions are of such limited application that they have little effect upon the status of the unemployment compensation fund. Their effect on employer accounts under experience rating is difficult to estimate. Experience rating began to operate in a period of full employment, and the general decline in benefits was a far more important factor than seasonal restrictions in reducing the tax rates of seasonal (and nonseasonal) employers.

Basic Standards for Seasonality Determinations

The standards to be followed by the agency in deciding whether or not an activity has a seasonal character are

laid down, at least in broad outline, in the laws themselves. Many States have interpreted and supplemented the legal provisions in rules or regulations. Here only the most important features of these provisions are analyzed and discussed. The examination will cover all seasonality provisions now included in State laws whether or not they are in operation. However, on important aspects, it will indicate the States which have put the provisions into effect.

Seasonal Unit

The feature which most sharply distinguishes one law from the other is the provision determining the unit of industrial activity to which seasonal status is to be given. This unit may be a whole industry, a group of employers within that industry, individual employers, branches or operating departments of individual employers, or, finally, occupational groups. The two extremes are illustrated by the laws of Oregon and Mississippi. Under the latter, seasonality determinations are made only for whole industries, such as fish packing and cottonseed-oil mills; once an industry has been held seasonal, all employers in that industry are subject to the seasonality provisions. Under the former, the unit for determination is an individual employer or any part of an employer's business which is substantially the same as the total operations of other seasonal employers.

More than half the laws with seasonal provisions permit the agency to make seasonal determinations for occupational groups. A common provision is to the effect that the determination may be made for an industry or occupation. A New York investigation of the implications of the seasonal provisions found that no seasonal occupations cut across industry lines and that the term "occupation" may, therefore, be understood as complementary to "industry" (1c, p. 3). This is how the problem seems to have presented itself to most States in which the seasonal provisions have been put into operation. No instance is known in which an occupational group received seasonal status under the seasonal provisions of the unemployment compensation law, but one of the most common and most dis-

puted questions in actual operation of the seasonal provisions is how to differentiate between seasonal and nonseasonal occupations and seasonal and nonseasonal workers attached to a seasonal industry or employer.

For all practical purposes, therefore, the main difference in the seasonal provisions of the States is whether they apply to an entire industry or to individual employers. Of the 22 States with seasonal provisions, 14 call for seasonality determinations on an industry basis (Alabama, Alaska, Arizona, Arkansas, Delaware, Florida, Hawaii, Maine, Mississippi, Missouri, New York, Ohio, South Carolina, South Dakota). Eight of the 13 States in which the seasonal provisions are in operation make determinations on an industry basis (Alaska, Arizona, Arkansas, Delaware, Florida, Hawaii, Mississippi, South Carolina). In 3 of these, the seasonal provisions are designed for the benefit of 1 industry chiefly: in Delaware, food processing; in Florida, citrus packing and canning; and in Hawaii, pineapple processing and canning.

A report on the operation of seasonal provisions in Mississippi indicates that, in that State, the method of making seasonality determinations on an industry basis has been satisfactory. The agency encountered no difficulty in deciding whether an employer did or did not belong to a given seasonal industry. No major objections were raised to the procedure of establishing a uniform period of time as the normal operating season of an entire industry. Geographic differences were found to cause some variation in periods of operation of individual establishments, but these variations were not great enough to justify setting up two or more seasonal periods in one industry. Managerial policy and certain other factors were also found to cause variations in the time of operation, but these were not considered proper cause for giving special treatment to individual employers (10, p. 12).

Reports from other States point out certain difficulties inherent in making seasonality determinations on an industry basis. In Georgia, for example, the following industries were found to have definite seasonal char-

acteristics: vegetable and fruit canning; cotton ginning; cottonseed-oil manufacturing; fertilizer manufacturing. Only the employers in the canning industry were found to operate on a strictly seasonal basis, for they do not combine canning with other seasonal activities. In the cottonseed-oil industry, however, many employers also carry on cotton ginning, fertilizer manufacturing, and other activities. The tendency on the part of Georgia employers to engage in different dovetailing seasonal activities renders the establishment of uniform seasons for an entire industry difficult, if not impossible (24).

A similar situation in Arkansas led the agency, in making its seasonal determinations, to attempt to isolate employment figures for the seasonal activity for which employers had requested a seasonality determination from employment figures for other activities. For example, the seasonality of ice manufacturing was determined solely on the basis of the number of employees engaged in the manufacture of ice. If the employer combines ice manufacturing with the retailing of ice, the employees engaged in the retailing of ice were omitted from the count. The agency encountered considerable difficulty in situations in which the employer used the same employees for both types of activity. In obtaining employment statistics for the past 5 years, it was sometimes difficult, if not impossible, to decide whether during a given week a worker was engaged in the seasonal or nonseasonal operations of the employer.

A provision to the effect that determinations can be issued only to all members of an industry or to none of them assures equal treatment to competing employers under experience rating. It may also, however, result in denial of seasonality status to a highly seasonal employer if he belongs to an industry which does not meet the seasonality standards of the law. In both Arkansas and Mississippi, the canning industry as a whole does not follow a seasonal pattern. Some employers in the industry, particularly the larger ones, process such a diversity of products that they operate practically all year round. Other employers—tomato canners, for example—are highly seasonal and

close down completely for long periods of the year.

A New York report states that a uniform seasonal period could not be fixed for a whole industry in that State without unintended gains to some workers and accidental discrimination against others (1c, p. 5). Information gathered by the Texas agency on seasonality showed "tremendously wide variation in the time of occurrence of seasonal operations as between the employers within a seasonal industry as well as in the duration of operations by employers within the industry." An Ohio report points out that a uniform ruling on an industry basis is nearly impossible because of differences in climatic conditions. Work that can be performed the year round in southern Ohio exhibits definite seasonal characteristics in northern Ohio.

The administrative difficulties to which these various reports call attention are avoided in the laws of 8 States which specify that determinations are to be made for individual employers (Colorado, Georgia, Michigan, Minnesota, North Carolina, Oregon, Vermont, Washington). Of the 13 States which have put the seasonal provisions into operation, 5 (Colorado, Michigan, Minnesota, Oregon, Washington) belong to this group. The Georgia, North Carolina, Oregon, and Washington laws permit separate seasonality determinations for operating units or branches of individual employers.

To the extent that employers with seasonal status enjoy advantages under experience rating not open to employers without such status, an individual-employer type of seasonal provision may result in differential treatment under experience rating of employers within the same industry. Moreover, in States which permit the issuance of seasonality determinations to employers in all industries, this type of seasonal provision has far-reaching administrative implications. At the time of the most widespread application of the seasonal provision in Oregon, 825 different employers had been granted seasonal status. Even in 1942, after the applicability of the seasonal provisions had been restricted, 242 different employers had seasonal status (25). Since determinations have to be reviewed periodically, they undoubtedly consume con-

siderable time of employers who have to furnish the necessary employment records to enable the administrative agency to make a determination, and of the agency which has to review these data before issuing a determination.

Measures of Seasonality

States with seasonality provisions follow various methods for determining which industries or employers are to be regarded as seasonal. Four laws designate the industries with seasonal status. In Florida, citrus packers and canners have been singled out for special treatment; in Delaware, Michigan, and Minnesota, first processors of agricultural products. According to the terms of the laws, all citrus packers and canners in Florida and all food processors in Delaware have seasonal status. In Michigan, however, an employer engaged in the first processing of agricultural products is regarded seasonal only if he operates for not more than 30 weeks within a calendar year. Minnesota distinguishes between seasonal and nonseasonal operations of first processors of agricultural products and grants them seasonal status only if they suspend their seasonal operations entirely for at least 26 weeks each year. Colorado, Maine, and North Carolina follow a similar approach, although in these three States seasonality determinations may be issued not only to first processors of agricultural products but also to employers engaged in other industrial activities.

Laws which permit seasonality determinations on the basis of periodic reduction in employment usually contain, or authorize the administrative agency to adopt, standards for measuring, with objectivity and uniformity, seasonal fluctuations in industrial activities. The laws of Hawaii, Oregon, and Washington include specific and detailed instructions which the agency must follow in making seasonality determinations, leaving a minimum of discretion to the agency. The other laws, however (Alabama, Arizona, Arkansas, Georgia, Mississippi, South Carolina), incorporate only general standards for determining seasonality and leave it to the administrative agency to give specific content to these standards. From an administrative point of view, it is, of

course, extremely important whether the law itself includes specific standards or whether the development of suitable standards is left to the administrative agency.

The States which use statistical formulas measure seasonal variations either in terms of the number of persons in employment at a particular time, man-hours worked during a specified period, or size of pay roll during one or more pay periods. To the extent that working hours are longer and weekly wages higher during the active season than in the off season, a measure in terms of number of workers imposes stricter seasonality standards upon employers than one in terms of man-hours or pay roll. In defining the peak from which the seasonal decline is measured, the States use an average figure for the 2 or 3 months during which employment is highest. The percentage by which employment must drop below the peak in order for the industry or employer to be deemed seasonal varies from 30 to 60. Employment must remain below the required level for periods varying from 8 to 26 weeks. Some State laws require that the decline occur at exactly the same period each year and that it be continuous; others do not.

In order to isolate the fluctuations in employment due to seasonal factors from those due to other factors, it is necessary to study the employment experience of an undertaking or industry over an entire business cycle. Only in Kentucky, which has repealed its seasonal provisions, did the State agency require employers to submit employment records for a 10-year period, from 1929-38, but even there special consideration was given to employers who could not submit reports for 10 years if they were able to furnish the necessary data for at least 4 years (26). The seasonal provisions now in operation measure experience over only 3 to 5 years in determining seasonality.

Beginning and End of Season

The laws with special seasonal provisions commonly provide that, during the off season, seasonal workers shall be ineligible for benefits, or seasonal wage credits shall be unavailable for benefit purposes. Therefore, the dates of beginning and end of the season must be fixed. Since these dates

determine for how long seasonal workers are to be held ineligible for receipt of benefits, establishment of the seasonal period is among the most important seasonal procedures. In two States, the administrative agency is relieved of all responsibility, and the seasonal period is established in the law itself. In States in which an industry must cease operations completely to receive seasonal status, the period during which productive operations are actually carried on is regarded as the seasonal period. Still other States apply statistical formulas to the employment experience of seasonal employers during the preceding few years in order to find the seasonal period. Some determine the seasons by conferences with industry and worker representatives. One State permits the employers to advise the agency each year prior to the opening of the season what the operating period will be.

In most States, the seasonal dates are determined on the basis of past experience. Since seasons are constantly changing depending on climatic and other conditions, the officially established dates may not correspond precisely to the operating period within a given year. Several States protect seasonal workers against loss of benefit rights by fixing seasons in accordance with the longest operating season within the preceding few years. Although most laws confine seasonal benefits to the active season, actually some seasonal workers may receive such benefits during the off season if the active season is shorter than usual in a given year. Also, if the season is unusually long, the restrictions may become effective before the operating period is over.

In States which determine seasonality on an industry basis, the seasons are usually fixed for entire industries, although they may vary by districts and occupations. If seasonality status is conferred upon individual employers, the seasons vary by employers and, in some cases, by individual plants.

Curtailment of Benefits for Seasonal Workers

All seasonal provisions but those of Michigan modify the benefit rights of

seasonal workers, and in all States in which the provisions are currently in effect the modification curtails benefit rights. The laws attempt to differentiate between seasonal and nonseasonal workers, and the restrictions apply only to the seasonal workers. Again, on this subject, the discussion will analyze all seasonality provisions whether or not they are in operation, but on significant aspects, it will point out the States in which the provisions are in effect.

Definition of Seasonal Worker

Several laws define a seasonal worker as one who is ordinarily engaged in a seasonal industry and is not engaged in other work during that part of the year when the industry is not in operation. Laws of this type give the administrative agency a wide margin for interpretation. Other laws specify with precision how the agency is to differentiate between seasonal and nonseasonal workers on the basis of their wage records.

In all these States a worker, to be classified as seasonal, must have had a substantial amount of employment with a seasonal employer. Whether or not the amount of seasonal employment is substantial is measured in several States by the proportion it constitutes of all employment in the base period. The proportion varies widely from State to State. In South Carolina, for example, a worker is seasonal if in each of the last 2 years he earned more than half his total wages in the seasonal industry during the season and less than one-third in off-season employment outside the seasonal industry. In Hawaii a worker is seasonal if he has earned more than 25 percent of his base-period wages from seasonal employment. In Washington, the figure is 80 percent.

The relative liberality of definitions of this type depends not only on the length of the season but also on other aspects of the benefit provisions for seasonal workers. A worker in a short-season industry has more opportunity to earn enough outside of seasonal work to be regarded as nonseasonal than one who is attached to a long-season industry. Moreover, while the percentage in Hawaii is much lower than in Washington, the apparent illiberality of the Hawaii law may be partly offset by the provision in Hawaii permitting seasonal

workers to draw benefits based on nonseasonal wage credits during the off season. In Washington, the benefits of seasonal workers are confined to the active season.

Some States exempt a worker from the seasonal-worker definition regardless of the amount he earned in seasonal employment if he earned from nonseasonal employment as much as the amount of wages required to qualify for benefits. Other States, instead of comparing amounts earned from seasonal and nonseasonal employment, determine a worker's status on the basis of the length of time which he has spent in each type of employment. In a few States a worker is classified as seasonal if, during a specified period preceding the determination, he worked only in a seasonal industry and only during the active seasonal period of that industry.

Four States (Arizona, Delaware, Georgia, New York) take into account not only the worker's covered nonseasonal employment but also his non-covered employment—even periods of self-employment, in Arizona—in determining whether the seasonal work is a sufficiently large part of his recent work history to put him in the class of seasonal workers. While the Georgia and New York seasonal provisions have not been put into effect, Arizona and Delaware actually operate under these provisions. Since the industries which have been held seasonal under State laws are closely connected with agriculture and many workers attached to seasonal industries are engaged in agriculture during the off season, such provisions are very important in safeguarding the benefit rights of seasonal workers who are actually working the year round although the records of their covered wages do not indicate this fact.

In differentiating seasonal from nonseasonal work, some States have determined that all work is seasonal which is performed for a seasonal employer during the season, regardless of type of activity or occupation. Others exclude certain types of activities or occupations from the definition of seasonal employment and count the time spent or wages earned from these activities or occupations in the same way as nonseasonal employment even though the work may be performed

for a seasonal employer during the active season.

Benefit Restrictions for Seasonal Workers

All States with seasonal provisions, except Michigan, modify the benefit rights of seasonal workers. Nine laws confer upon the administrative agency broad power to determine in what way the benefit rights of seasonal workers shall be modified (Alabama, Arizona, Georgia, Maine, Mississippi, Ohio, South Carolina, South Dakota, Vermont). In 12 States, however, the law itself specifies how benefit rights of seasonal workers shall be curtailed; this group includes the majority of States in which the seasonal provisions have been put into operation (Alaska, Arkansas, Colorado, Delaware, Florida, Hawaii, Minnesota, Missouri, New York, North Carolina, Oregon, Washington).

The most common provision is to the effect that seasonal workers shall be eligible for benefits, or that seasonal wage credits shall be available for benefit purposes, only during the established seasonal period. "Seasonal worker" is used, of course, as defined in the law or regulations. Workers who have had sufficient nonseasonal employment to escape the confines of the seasonal-worker definition qualify for benefits in the same way as persons who have not had any work in a seasonal industry.

Some State laws deny benefits to seasonal workers entirely during the off season, others allow them off-season benefits based solely upon nonseasonal wage credits. Among the former are the laws of Arizona, Delaware, Georgia, New York, Ohio, South Carolina, and Washington; these provisions are in operation in Arizona, Delaware, South Carolina, and Washington.

Colorado and North Carolina permit seasonal workers to draw benefits based on nonseasonal wage credits during the off season, and Alaska, Arkansas, Florida, Hawaii, Maine, Mississippi, Missouri, Oregon, and Vermont even make nonseasonal wage credits available for benefit purposes during the active as well as the inactive season. Three of the latter (Arkansas, Hawaii, Mississippi) specify that, during the active season, seasonal benefits are to be exhausted first.

Minnesota, instead of denying benefits to seasonal workers during a certain part of the year, reduces the wage credits from seasonal employment in the proportion which the seasonal period bears to the whole calendar year. For example, if a worker earns \$360 during the season from seasonal employment in a cannery whose season extends from June 1 to September 17 (109 days), his wage credits for benefit purposes are limited to 30 percent of these wages, or \$108. Benefits based on these reduced wage credits are available for benefit purposes at any time of the year. Reduction of wage credits results not only in lowering the benefit amount but also in making it more difficult for persons who work in seasonal employment to qualify for benefits.

Experience Rating

In all States which have seasonality provisions and in which experience-rating provisions are in operation, one measure of the employer's experience with unemployment is the amount of unemployment benefits paid to his former employees. In some States, the benefits paid to former employees are related to the pay roll of the employer to determine the employer's rate of contribution (benefit-ratio system); in other States, these benefits are deducted from the contributions paid by the employer, and the reserve standing to the employer's credit is measured against his pay roll (reserve-ratio system); still others compare the wages (within certain limits) of persons who become beneficiaries with the total pay roll of the employer (benefit-wage-ratio system). Whichever of these methods is used for computing the tax rate for an individual employer, the less his former employees receive in benefits, the greater the likelihood that a low tax rate will be assigned to him. Some States charge the entire amount of the benefits to the claimant's most recent employer or to the last employer in his base period. Others allocate the charges for benefits to all base-period employers, either in inverse chronological order or in the proportion which the wages paid by a particular employer bear to all base-period wages. Hence the curtailment of benefits of seasonal workers may affect the experience rating not only of sea-

sonal employers but of other employers by whom the seasonal claimant was employed.

Among the 13 States with seasonality provisions in effect, only 3 operate without experience rating (Alaska, Mississippi, and Washington). One State, Michigan, exempts seasonal employers from experience rating altogether and subjects them to the basic 3-percent tax rate. One State, Colorado, provides that seasonal employers are to be charged only for benefits paid to seasonal workers in the active season and that nonseasonal employers are to be charged only for benefits paid to seasonal workers during the off season. The Arkansas law specifies that seasonal employers shall not be charged for benefits paid during the off season to seasonal workers, but there is nothing in this law to prevent nonseasonal employers from being charged for benefits paid to seasonal workers during the season. In Arkansas, seasonal employers enjoy a further advantage under experience rating in that their experience prior to the effective date of the seasonality provisions (April 1, 1943) will not be taken into account in computing their tax rates after 1946.

In the remaining 7 States, the experience-rating provisions apply to seasonal employers in the same manner as to all other employers. However, even though experience rating is not explicitly modified on behalf of seasonal employers in these States, the curtailment of seasonal workers' benefits may result in reduced tax rates for nonseasonal as well as seasonal employers.

Evaluation

In evaluating the special seasonality provisions in State unemployment compensation laws, the basic question is whether seasonal workers should get benefits under the same terms as other insured workers or whether their rights should be restricted. Whatever the arguments in favor of restriction, in practice most of the workers who are seasonally unemployed receive compensation on the same basis as workers who are unemployed for other reasons. Because seasonality provisions apply to only a few selected industries, this is true even in States where such provisions

are in operation. The fact that, before the war, contributions in such industries as coal mining, clothing, automobile manufacturing, and construction were insufficient in some States to pay for the benefits of their workers was one of the primary reasons for the establishment of pooled funds. Thus, for the most part, the States have taken the attitude that the high risk of unemployment in some industries is to be financed, in part, by the contributions of employers in more stable industries.

Nevertheless, many workers in seasonal industries are excluded from protection against the risk of unemployment. This exclusion is brought about in one of four ways: through limitations of coverage, through imposition of qualifying-earnings requirements, through availability tests, or, finally, through the special seasonality provisions which have been the subject of this report. In terms of the number of seasonal workers affected by these provisions, the first three are far more important than the last.

The coverage provision which specifically excludes seasonal firms, and hence seasonal workers, is the one exempting firms which operate less than a certain length of time (most commonly 20 weeks) within a year.

Exclusion of agricultural employment affects seasonal workers in two ways. In the first place, large numbers of agricultural workers are seasonally unemployed year after year; yet as long as agriculture is excluded they cannot be compensated for their unemployment. In the second place, many persons who work in covered industries part of the year are employed in agriculture the rest of the year. Because these workers receive credit for only the part of their earnings derived from covered employment, they are often ineligible for unemployment benefits. If the wages they earned in agriculture were added to their covered earnings, they would, in many instances, be able to meet the qualifying requirements of State laws. The only way to give this group of workers effective protection is to extend unemployment insurance to agriculture.

It should be emphasized that the provisions for exemption of certain seasonal employers did not spring

primarily from a conviction that seasonal unemployment should not be compensated. Their main purposes are to exempt certain employers from the payment of contributions and to avoid the administrative inconvenience inherent in coverage. The effect upon the workers of these employers is incidental. Apart from the special seasonality provisions included in some State laws, the only provisions specifically excluding seasonal unemployment from compensation are the qualifying and availability requirements, both of which serve to withhold benefits from workers who are in the labor market for only a portion of the year.

In most State laws the qualifying requirement is expressed in terms of aggregate earnings from covered employment within 1 or 2 years prior to claiming benefits. In view of the wide diversity of wage rates and of the exclusion from coverage of many different kinds of employment, such a measure is at best only a rough gauge of a person's attachment to the labor market. It excludes persons from benefits who are in the labor market the year round, if a substantial portion of their working time is spent in noncovered employment, and also, on occasion, admits to benefits persons who are in the labor force for only part of the year and may not be available for work at the time they claim benefits.

All States deny benefits to persons who are unavailable for work. From a practical point of view, there are circumstances in which availability is extremely difficult to test, not only for seasonal workers but for many others. The States' seasonality provisions have been designed, at least in part, to cope with the problem created by persons who come into the labor market for part of the year only. In these attempts, the provisions fail to distinguish between those who are unavailable for work during the off season of a seasonal establishment and those who had worked for the seasonal establishment during the active season but seek and find other employment during the off season.

Benefits should not be granted during the slack season to persons who withdraw from the labor market while

the industry to which they are ordinarily attached closes down. If a State agency has reached the conclusion that the claimant's assertion of availability and his registration for work at an employment office are inadequate to establish his availability, it may well consider the claimant's work history as an additional factor. A work history which reveals, in each of the last 3 years, periods without gainful employment regularly recurring during the off season of the seasonal industry casts doubt on the claimant's current availability. In such cases, the agency would seem to be justified in denying benefits to the claimant in the absence of evidence sufficient to demonstrate his availability during the current off season. In examining the claimant's work history, it is important to take account of the noncovered as well as the covered employment. The seasonal industries which have been the subject of special attention by the States are closely linked with agriculture and draw upon agricultural workers for their labor supply. Therefore, unless a record is obtained of noncovered employment, the picture of a person's attachment to the labor market is necessarily distorted.

The approach suggested here is similar to that which Arizona follows in determining who is a seasonal worker. It differs from the Arizona approach in that a claimant could submit such evidence of his current availability as might be regarded sufficient by the agency to invalidate any conclusion drawn on the basis of his work history alone. Thus, the worker could show that, in the preceding off seasons, he did not actually withdraw from the labor market or that his personal circumstances have so changed that he is now available for work.

Such a procedure is believed to be sufficient for the purpose of singling out truly seasonal workers. There would seem to be no need for the complicated procedures followed by the States in granting seasonal status to industries or individual firms and establishing their seasonal periods. The local office knows which firms are seasonal in its territory and what their operating seasons are. If it subjects the claims of persons who come from these firms at the end of the season to the special scrutiny suggested above, one of the purposes of seasonality pro-

visions—that of withholding benefits from persons who have left the labor market—would seem to be accomplished.

Among seasonal workers, the persons withdrawing from the labor market at certain times of the year are the only ones who should be disqualified from receipt of benefits. All other persons who work for seasonal firms should be entitled to benefits on the same basis as workers in steady jobs. This conclusion is inevitable if benefits are to be paid on a basis equitable to all covered workers.

However, this is not the only standpoint from which the States have considered the problem of seasonality. Experience rating has resulted in adverse tax rates for firms which, because they process products that are available for only part of the year, are seasonal of necessity. Such firms cannot offer year-round employment, and some seasonal employers have regarded as unjust the imposition of higher-than-average tax rates for failure to do so.

In most States contributions vary in accordance with employers' experience, and often the individual employer cannot change his operations sufficiently to receive a more favorable tax rate. Seasonal employers are not alone in being adversely affected by experience rating; the same is true of all employers in industries with fluctuations over which they have little or no control. The provisions included in all State laws which fix maximums beyond which the rates cannot go afford protection against ruinous charges.

Unfortunately, the dissatisfaction of seasonal employers with the results of experience rating, instead of being directed against its real cause—experience rating—has resulted in some States in curtailment of benefits to workers attached to seasonal firms. A State may be so impressed with the demands of seasonal employers for relief from adverse tax rates that it considers some action necessary. If it can be taken in full justice to all employers similarly situated, such action should be confined to adjustment in the experience-rating provisions. Irrespective of concessions to seasonal employers under experience rating, persons working for seasonal employers (except those who are not

available for work at the close of the season) should be eligible for benefits on the same basis as other workers. Michigan is the only State with seasonal provisions which has recognized that action in one field can be taken independently of action in the other.

By far the most difficult question which seasonality poses in unemployment compensation is that which arises in States in which seasonal industries predominate to such an extent that it is impossible to provide benefits comparable to those payable in other States without a substantial increase in contributions. Because of the unusual employment opportunities created by the war, the problem has disappeared and will probably not arise again for some time to come. Even before the war such a situation existed in only a few States, notably Alaska, Florida, Mississippi, and Oregon.

However, the problem was by no means confined to States with a preponderance of seasonal industries. It also existed, and perhaps in even more acute form, in States with a concentration of heavy or irregular industries. Since the problem had to be answered within the limitation of individual State financial resources and industrial patterns, a satisfactory solution was difficult to find.

The situation has been confused by the introduction of experience rating, which has decreased the average contribution rate below the standard rate in every State that has adopted such a plan. Even in the early days, when experience-rating plans, in general, provided for penalty rates as well as reduced rates, total contributions were curtailed below what would have been collected without experience rating. The Federal unemployment tax of 3 percent was levied in order to provide the financial basis for an unemployment compensation system in every State. Little weight can be given to the argument that seasonal restrictions are necessary in order to safeguard the solvency of the fund when the State is reducing contributions through experience rating.

Before the war, the argument carried weight only in those States which, despite retention of the standard tax rate, found it difficult to balance contributions with benefits because of a

persistent heavy risk of unemployment. Since increase in contributions above the standard rate was considered infeasible, the balance had to be restored through adjustment in benefits. It is unfortunate, however, that in making this adjustment the States with seasonality provisions singled out groups of workers with wage rates so low as to make it extremely unlikely that their own resources could carry them through a period of temporary unemployment. Fortunately, the reserves which all States have accumulated during the war are so large that curtailment of seasonal workers' benefits is no longer necessary from a financial point of view. With ample resources available, there is no longer need either to limit the benefit rights of seasonal workers or to retain other restrictive benefit provisions included in many State laws for the sole purpose of husbanding unemployment compensation funds.

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(Continued from page 1)

tures by the State, under its exclusive control; and approved coverage of specified maritime services under the Federal Unemployment Tax Act and a plan to cover maritime workers, through reciprocal agreements, under State unemployment compensation systems.

Other resolutions adopted by the Conference dealt with review of reporting requirements to reduce the burden of employer reporting and, in the interest of the economies possible through exchange of services,

favored authorizing State agencies to accept Federal funds for services rendered to Federal agencies and reimbursement of Federal agencies for services rendered to State agencies.

The Conference also approved two resolutions on employment security adopted by the Governors' Conference at Hershey, Pennsylvania, last May. The first of these opposed any steps to centralize and federalize administration of unemployment compensation and urged the States, in order to meet post-war problems, to examine various aspects of their pres-

ent systems, including solvency and possible need for higher wartime contribution rates; coverage; adequacy of benefit provisions; statutory provisions and administrative procedures to assure speed and efficiency of operation under peak-load conditions; interstate cooperation; and the relation between the State system and any Federal program for veterans' demobilization allowances. In the second resolution, the Governors urged that employment service functions be returned to the States as soon as practicable.

A Social Security Plan for Great Britain: The Government's White Paper*

IN JUNE 1941, the British Government asked Sir William Beveridge to recommend changes in the existing programs for social insurance and allied services. His report, presented in November 1942,¹ outlined a social security plan for "all citizens without upper income limit—all embracing in scope of persons and needs," based on assumptions that the Government would take other measures to prevent mass unemployment, would establish comprehensive health services, and would provide children's allowances. Early this year, the Government issued White Papers on proposed measures to combat unemployment and provide Nation-wide health services.² The White Paper outlining proposals for family allowances, social insurance, national assistance, and workmen's compensation was presented in September.³

With this White Paper, the British Government rounds out its comprehensive social and economic policy. The first duty of Government, the White Paper points out, is to protect the country from external aggression; the second, to secure the general prosperity and happiness of its people. The Government must first foster growth of capacity to produce and earn, with accompanying increase in well-being, leisure, and recreation, and, second, must plan to prevent individual poverty resulting from hazards of personal fortune over which

individuals have little or no control. Neither course alone is effective. A nation cannot avoid widespread poverty if earning power is impaired by unemployment or inefficiency, and, regardless of high production levels, a nation has not solved its problems if it includes any appreciable groups who are in want because their earning power is reduced by ill-health, unemployment, old age, or inability to provide properly for their children. When the present proposals, modified by public opinion and Parliamentary debate, are given the force of law, and the necessary "mosaic of details" has been worked out by the administrative agencies concerned, "provision will have been made against every one of the main attacks which economic ill-fortune can launch against individual well-being and peace of mind. Social insurance is but a means to achieving positive effort and abundant living. Yet it is a necessary means."

The Government pays tribute to Sir William Beveridge for his "comprehensive and imaginative report" by embodying much of his plan in its proposals. On details of contribution and benefit, it sometimes proposes more, sometimes less; basically, however, the Government plan, like the Beveridge report, provides a unified program of social security for the entire population, using the contributory principle as according best with the desires, characteristics, and social legislation of the British people.

Building on existing programs that since 1911 have "grown steadily in scope and thoroughness," the Government would extend social insurance in range and amount of benefits and in coverage. Insurance payments would comprise unemployment, sickness, invalidity, and maternity benefits, retirement pensions, survivor benefits, and death grants.

Outside the insurance system, but an integral part of the plan, would be family allowances, to help meet the economic burden of rearing children, and training allowances for persons of working age.

The White Paper also develops the

Government's proposals for compensation for disablement or loss of life from industrial injury or specified occupational diseases. The Government agrees with Sir William that the present system is "based on a wrong principle and has been dominated by a wrong outlook." Instead of the concept of compensation for industrial injury as an employer liability, the Government presents it as a social service. Both employers and workers would contribute, but the benefits, paid weekly at fixed rates with supplements for family responsibilities, would not depend on the contribution record. The system proposed "is in many respects like that which is the basis of war pensions schemes. It thus recognizes a certain similarity between the position of the soldier wounded in battle and that of the man injured in the course of his productive work for the community . . . each is compensated not for loss of earning capacity but for whatever he has lost in health, strength and the power to enjoy life."

The White Paper does not detail the Government's earlier recommendations for medical and hospital care for the entire population, to be financed in the main from general tax funds with a grant from the social insurance fund. Proposals for insurance and assistance assume, however, that everyone in the population, regardless of income, insurance status, occupational class, or other qualification, will have access without charge to any needed maintenance and care in a hospital and to the services of medical practitioners in the home, office, and hospital. The cost of the health services is included in the social security budget.

There still remains, the White Paper declares, "the individual's opportunity to achieve for himself in sickness, old age and other conditions of difficulty a standard of comfort and amenity which it is no part of a compulsory scheme of social insurance to provide. And in reserve there must remain a scheme of National Assistance designed to fill the inevitable gaps left by insurance and to supplement it where an examination of individual needs shows that supplement is necessary." Assistance, financed from general taxation and administered in close coordination with the insurance program, would

*Prepared in the Division of Publications and Review, Office of the Executive Director.

¹ *Social Insurance and Allied Services:* Report by Sir William Beveridge, Cmd. 6404, H. M. Stationery Office, London, 1942, summarized in *Social Security Bulletin*, Vol. 6, No. 1 (January 1943), pp. 3-30.

² *Great Britain: Employment Policy*, Cmd. 6527, H. M. Stationery Office, London, 1944, summarized in *Social Security Bulletin*, Vol. 7, No. 9 (September 1944) pp. 20-22, and *A National Health Service*, Cmd. 6502, H. M. Stationery Office, London, 1944, summarized in *Social Security Bulletin*, Vol. 7, No. 3 (March 1944), pp. 12-18.

³ *Great Britain: Ministry of Reconstruction, Social Insurance*, Part I, Cmd. 6550, and Part II, *Workmen's Compensation*, Cmd. 6551, H. M. Stationery Office, London, 1944. American edition published by the Macmillan Co., New York.

Table 1.—Great Britain: Summary of social security provisions proposed by Government for each population class

Program	Population class				
	Class I. Employed persons ¹	Class II. Others gainfully occupied	Class III. Housewives	Class IV. Others of working age, not gainfully occupied	Class V. Children under 15, or under 16 if in school; and Class VI. Retired persons above working age
Total population (47,500,000)	18,100,000	2,600,000	9,650,000	2,250,000	Class V 10,100,000 Class VI 4,800,000
Male (22,850,000)	13,350,000	2,150,000	1,000,000	1,250,000	5,150,000 1,200,000
Female (24,650,000)	4,750,000	450,000	9,650,000		4,950,000 3,600,000
Assistance and services financed wholly or mainly ² from general taxation					
Family allowances.....	Universal allowance of 5s. a week for all but one child of eligible age; school meals and milk for all school children without proof of need.				
Medical care and hospitalization. ³	Universal unlimited service without charge or proof of economic need.				
Public assistance.....	Available on proof of need to all with inadequate income from insurance or other resources.				
Vocational allowances and training. ³	Cash allowance continuing not more than 4 weeks after end of course and free instruction to all who desire paid employment.				
Cash benefits and qualifications under contributory social insurance plan ⁴					
Unemployment benefits.	24s. a week for single person; 40s., husband and non-gainfully occupied wife; 20s., married woman insured in own right. Duration 30 weeks. Requirement—26 contributions paid and 50 paid or excused in preceding year; 3-day waiting period compensated if unemployed 4 weeks.	-----	If wife living with and maintained by husband and earns not more than 20s. a week, husband receives joint benefit (40s.) when he is unemployed. No benefit payable for her unemployment unless she herself is insured (Class I).	Dependent's allowance of 16s. a week to 1 dependent of person receiving benefit at single rate.	Class V.—5s. a week for child of eligible age excluded from family allowance.
Sickness benefits (temporary). ¹	21s. a week for a single person; 40s., husband and non-gainfully occupied wife; 16s., married woman insured in own right. Duration 3 years if 156 contributions paid; only 1 year if 26-155 contributions. 3-day waiting period compensated if sick 4 weeks.	Same as for Class I except that no benefits are payable for first 4 weeks of sickness.	If wife living with and maintained by husband and earns not more than 20s. a week, husband receives joint benefit (40s.) when he is ill. No benefit payable for her illness unless she herself is insured (Class I or II).	Dependent's allowance of 16s. a week to 1 dependent of person receiving benefit at single rate.	Class V.—5s. a week for child of eligible age excluded from family allowance.
Maternity grant.....	Flat sum of £4 for all women regardless of class, if 26 contributions paid by husband or wife and 26 contributions paid or excused in contribution year.				
Maternity benefits.....	36s. a week for 13 weeks. Requirements—26 contributions actually paid in 12 months before beginning of benefit year and evidence of inability to work or get work during substantial part of rest of year; must give up gainful work during period of benefit.	36s. a week for 13 weeks. Requirements—evidence of gainful employment for 26 weeks in contribution year and evidence of inability to work during substantial part of rest of year; must give up gainful work during period of benefit.	Attendant's allowance of 20s. a week for 4 weeks with requirements same as for maternity grant.	Allowance of 20s. a week for 4 weeks for attendant. Requirements same as for maternity grant.	
Survivor benefits ¹	Widow with child or children: 36s. a week for 13 weeks; thereafter guardian's benefit of 24s. a week while any child is of eligible age; thereafter, if widow aged 50-59 and married to husband 10 years before, 20s. a week until age 60, when old-age pension of same amount payable. Widow without child of eligible age: 36s. a week for 13 weeks; thereafter 20s. a week if aged 50-59 and married to husband 10 years before; for incapacitated widow of worker in Class I or II, sickness benefit of 24s. a week for as much as 3 years, followed by invalidity benefit of 20s. a week; old-age pension of 20s. a week at age 60. Requirement—same as for old-age retirement.	-----	-----	-----	Class V.—5s. a week for child of eligible age excluded from family allowance. Amount per child increased to 12s. a week ⁴ for all children of eligible age if both parents dead.
Invalidity benefits (permanent disability). ¹	Payable after 3 continuous years of sickness benefits, as long as person remains incapable of work or until he reaches age when retirement pension payable; benefits same as for old-age retirement, except that a married woman insured in her own right receives 16s. a week.	-----	-----	Dependent's allowance of 15s. a week to 1 dependent of person in Class I or II.	Class V.—5s. a week for child of eligible age excluded from family allowance.
Old-age retirement pension.	35s. a week for couple (husband aged 65 or over and nongainfully occupied wife of any age); 20s. a week for a single man aged 65 or over; 20s. a week at age 60 or over for a single woman and a married woman insured in her own right; amounts increased for deferred retirement and reduced for deficient contribution record and for earnings of more than 20s. a week after retirement. Requirement—156 actual contributions and a yearly average of 50 contributions paid or excused.	-----	-----	-----	Class VI.—Same as for Classes I, II, III, and IV.
Death grant.....	Flat sum varying from £6 to £20 depending on age; some exceptions during 10-year transitional period.				

¹ Proposed provisions for disability, invalidity, or death of employed persons (Class I) resulting from injury or specified disease of occupational origin are separate from general insurance system.

² About one-fourth of the estimated expenditures for health services will be derived from insurance contributions; the insurance fund will contribute a small sum annually toward vocational training.

³ Benefits vary with sex and are lower for persons under age 18; they are reduced if full qualifying requirements are not met. A shilling is about 20 cents at exchange rate of £1=\$4.035, stabilized Mar. 25, 1940. Translation to dollars without considering such factors as living costs and wage rates would be misleading.

⁴ 7s. from insurance system and 5s. from general taxation.

Table 1.—Great Britain: Summary of social security provisions proposed by Government for each population class—Continued

Program	Population class				
	Class I. Employed persons	Class II. Others gainfully occupied	Class III. Housewives	Class IV. Others of working age, not gainfully occupied	Class V. Children under 15, or under 16 if in school; and Class VI. Retired persons above working age
Special cash-benefit system for industrial injury or specified occupational diseases					
Injury allowance.....	35s. a week for single person for 15 weeks; an industrial invalidity pension thereafter; 3-day waiting period compensated if disability lasts 4 weeks or more. No required number of contributions.		8s. 9d. a week if she is residing with or wholly or mainly dependent on husband receiving injury allowance.	Dependent's allowance of 8s. 9d. a week to 1 dependent of person receiving benefit at single rate.	<i>Class V.</i> —5s. a week for child of eligible age excluded from family allowance.
Industrial pension.....	40s. a week for single person for total disability; partial disability compensated at lower rates proportioned to degree; supplement of 10s. a week if totally unemployable; additional 20s. a week (maximum) if constant attendance needed. Duration until recovery or death. No required number of contributions.		10s. a week if she is residing with or wholly or mainly dependent on husband receiving industrial pension for total disability; lower rate for partial disability.	Dependent's allowance of 10s. a week to 1 dependent of person receiving benefit at single rate for total disability; lower rate for partial disability.	<i>Class V.</i> —7s. 6d. a week for child of eligible age excluded from family allowance.
Benefits for survivors of deceased worker in Class I.	30s. a week for widow if aged 50 or over, if caring for worker's child, or if incapable of self-support; otherwise 20s. 20s. a week for widower if incapable of support. Maximum of 30s. a week joint pension for dependent parents or 20s. for 1 parent only. Maximum of 20s. a week for other adult dependent if incapable of self-support and if no widow's or parent's pension payable. If none of these pensions is payable, 20s. a week (maximum) for woman who resided with worker if she has care of his child or children, as long as at least 1 child is of eligible age. Temporary allowance of 36s. a week for 13 weeks for all other adult members of family, if wholly dependent; if partially dependent, benefits related to degree of dependency.				<i>Class V.</i> —7s. 6d. a week for child of eligible age excluded from family allowance. Amount per child increased to 12s. a week ³ for all children of eligible age if both parents dead. <i>Class VI.</i> —Same as for classes I, II, III, and IV.

For footnotes, see opposite page.

include unemployment assistance, special provisions for the blind, and financial aid to any person on proof of need.

Family Allowances

The Government recognizes that, next to interruption or loss of earnings, the economic burden of rearing children is the most serious cause of poverty. The White Paper therefore proposes a system of family allowances at a rate of 5s. a week per child—payable without regard to income—as a national contribution toward the costs of maintaining children. In addition, it proposes allowances in kind in the form of school meals and milk, to be given without charge to all children in primary and secondary schools which receive grants from Government departments of education. The Beveridge plan had proposed an average of 8s. a week, graduated according to age.

Believing that, unless income is interrupted, most families can afford the full cost of rearing one child, the Government proposes to pay the family allowance continuously for all but the oldest child under age 15, or 16 if

attending school or serving apprenticeship, and the allowance will continue for school children or apprentices until July 31 following the sixteenth birthday. Normally made out to the father as the economic head of the household, the allowance will be drawn in such a way that the mother can cash it.

When the parent or parents receive unemployment, sickness, invalidity, widow's, or guardian's benefits, or an industrial injury allowance, an allowance of 5s. will be paid also for the oldest child of eligible age; the amount payable for this child will be increased to 7s. 6d. a week if the parent is receiving an industrial pension for total disablement or has died from industrial injury. Children below working age who have lost both parents will receive 12s. a week, regardless of the cause of death or the parent's contribution record.

The General Insurance System

The Government accepts one of the fundamental principles of the Beveridge plan in classifying the population into the six groups (table 1) which differ not according to earnings

or economic status but in the benefits they need and the contributions they must make to receive them. There will be a single weekly contribution for each contributor, paid by one stamp on an insurance card to cover all the benefits available to the contributor's group.

Classes I, II, and IV constitute the contributing population. Most married women in Great Britain, not being gainfully employed, will be in Class III (housewives) with benefits based on their husband's contributions. Married women who wish to maintain or reestablish their own insurance status can choose to contribute in the appropriate class (I, II, IV) and acquire benefits in their own right. To limit insurance against sickness and unemployment to those with more than casual employment, however, the Government proposes that married women should be compulsorily exempted from insurance against these risks if their earnings do not exceed 20s. a week.

The Government, unlike Sir William, does not propose to gear benefits to amounts necessary for subsistence,

declaring that "Circumstances vary, not only between places but between people, and the conception of relating payments precisely to individual needs is not really capable of realization in an insurance scheme, particularly where that scheme covers all classes of the community."

Unemployment and sickness.—Adopting Sir William's recommendations, the Government proposes to make unemployment and sickness benefits identical in amount (with one exception) and to unify contribution and waiting-period requirements and the benefit year. It did not, however, accept the Beveridge recommendation of unlimited duration of benefits.

Unemployment benefit will be restricted to persons in Class I (employees), who constitute the largest single population group, and sickness benefit will be confined to Class I and Class II (others gainfully occupied).

When the husband is unemployed or ill and his wife is not gainfully occupied, a standard rate of 40s. a week for the couple is proposed. A single man or woman or a man whose wife is gainfully occupied would receive 24s. a week, and boys or girls aged 16-17 would get 15s. A married woman insured in her own right would get 20s. a week for unemployment and 16s. a week for illness. A person receiving benefit at the single rate may receive a supplemental allowance of 16s. a week for one adult dependent or for a housekeeper who looks after his dependent children.

There is to be a fixed benefit year in which a worker in Class I will be entitled to either type of benefit at the standard rate if he or she has actually paid 26 contributions and has, in addition, 50 contributions paid or excused⁴ in the contribution year immediately preceding the benefit year. If contributions are fewer, benefits will be scaled down proportionately. A contributor who exhausts rights to unemployment or sickness benefits will requalify after he has paid 10 weekly contributions.

The waiting period is 3 days for both types of benefits, but if the sickness

⁴A contribution is "excused," or credited as if paid, when the contributor is receiving certain benefits or is certified as unemployed or incapacitated by sickness or maternity, or is a full-time student or unpaid apprentice.

or unemployment lasts for 4 weeks or more, benefits are payable for these first 3 days. Self-employed persons will receive sickness benefits after 4 weeks of uncompensated sickness, rather than the 13 weeks proposed by Sir William.

Unemployment benefits will be payable for a maximum of 30 weeks in a continuous period of unemployment; additional days are provided for contributors with good records of employment in recent years. Spells of unemployment or sickness separated by less than 3 months will be considered continuous. Sickness benefits will be payable for 3 years of continuous sickness if the contributor has actually paid 156 contributions. If his disability persists, at the end of the 3 years he will receive an invalidity benefit at a lower rate. If 26 but less than 156 contributions have been paid, the contributor will receive sickness benefits for not more than a year and will not be entitled to the invalidity benefit thereafter.

The White Paper does not specify the conditions which will disqualify otherwise eligible persons from benefits, except to indicate that unreasonable refusal to undergo a course of training should disqualify an applicant from receiving unemployment benefits. The training allowances for unemployed persons who take an approved course of training or industrial rehabilitation will be at a higher rate than unemployment benefits and may continue for as much as 4 weeks after the course is completed. If the job received after training is not in the worker's home town, a "settling in" allowance will also be payable for the first few weeks in the new location.

Maternity.—A maternity grant of £4 will be payable for all women, whether or not gainfully employed, if the woman or her husband has actually paid 26 contributions and an additional 26 contributions have been paid or excused in the last complete contribution year. In addition to the maternity grant, maternity benefits of 36s. a week are payable for 13 weeks to gainfully occupied women who give up their work for that time. Women who are not gainfully occupied are to receive an attendant's allowance of 20s. a week for 4 weeks toward providing domestic help after childbirth.

Unmarried mothers will qualify for these benefits on the same terms as married women if they meet insurance qualifications through their own contributions. The qualifying conditions for maternity benefits are 26 weeks of gainful occupation for which contributions have been paid in the 12 months immediately preceding and evidence that the woman was unable to obtain work or incapable of working for a substantial part of the rest of the year. For a self-employed married woman who has elected to be exempt from contributions and to rely on her husband's insurance, evidence of gainful occupation will satisfy the requirements.

Invalidity and old age.—Benefit amounts and qualifying conditions for long-term risks are also to be coordinated. Invalidity insurance will cover all gainfully occupied persons of working age, while retirement pensions will be payable to any qualified person above working age. When persons receiving invalidity benefit reach retirement age (60 for women, 65 for men), the invalidity benefit will be replaced by a retirement pension of the same amount. Similarly, widows who qualify for widow's pensions will be transferred to the retirement rolls at age 60.

A standard amount of 35s. will be payable weekly as a joint benefit for invalidity or old age to a man whose wife is not gainfully occupied, regardless of the wife's age; a single man or woman or a married man whose wife is working will receive 20s. A gainfully occupied married woman insured in her own right will get 16s. a week for invalidity and 20s. for old-age retirement. A benefit of 15s. a week will be payable for one adult dependent of a person receiving a single person's invalidity benefit; no allowance for a dependent other than the wife is made in the old-age retirement benefit.

To qualify for invalidity or retirement benefits, a worker must have 156 contributions to his credit. He may, if necessary, draw invalidity benefits up to retirement age. Workers with less than 156 actual contributions will not qualify for invalidity benefits or retirement pensions; assistance will be available on a needs basis. Full retirement benefits will be payable only to those who in addition to 156 actual contributions have a yearly

average of 50 contributions paid or excused; for contributors with less than this average, benefits will be at lower rates. The retirement benefits are at slightly lower rates than those proposed by Sir William but would become effective at once rather than after 20 years.

Persons who continue to work after retirement age will receive an additional 2s. a week (joint) or 1s. a week (single) for each year they defer re-

tirement. The date on which the worker declares his intention to retire will normally be the date from which benefits will be awarded. Thereafter benefits will be reduced for any amount of earnings exceeding 20s. a week. A wife's earnings of more than 20s. a week will serve to reduce her share of a joint pension.

To draw his pension in full from the Post Office, the pensioner will have to sign a declaration that he

(and, if necessary, his wife) has not earned more than 20s. in the previous week; if he has higher earnings to declare, he must report to his local insurance office, where appropriate deductions will be made before the pension is paid. If his earnings are less than 55s. (joint) or 40s. (single) a week and come from regular employment, a continuing pension at the appropriately reduced rate can be paid by the Post Office on the pen-

Table 2.—Great Britain: Comparison of social security benefits payable to a married couple with two young children, under existing programs, Beveridge plan, and Government proposals¹

Risk	Existing programs (Husband's contributions (1940): Total 1s. 10d. a week—5½d. for health, 10d. for unemployment, 6½d. for widows, orphans, and old-age pensions.)	Beveridge plan (Husband's contributions: 4s. 3d. a week for all risks.)	Government proposals (Husband's contributions: 3s. 10d. a week for all risks.)
Unemployment.....	38s. a week, for 26 weeks; thereafter assistance on proof of need.	56s. a week with no time limit; required attendance at training center if unemployment prolonged.	50s. a week for 30 weeks, with additional days for good employment record; training allowance at higher rate continued for as much as 4 weeks after end of course, not counted in benefit duration.
Temporary disability: Nonindustrial origin.....	18s. a week for 26 weeks.....	58s. a week, unlimited in duration, while both children under working age.	50s. a week for 3 years.
Industrial origin.....	50s. a week (maximum) or ½ earnings for 13 weeks; thereafter pension for permanent disability; or lump-sum settlement. ²	58s. a week for 13 weeks; thereafter pension for permanent disability.	53s. 9d. a week for 13 weeks; higher disability allowance or pension for permanent disability thereafter; lump-sum settlement or temporary allowance at lower rate for minor disablement only.
Permanent disability: Nonindustrial origin.....	10s. 6d. a week until transferred to old-age pension.	56s. a week while both children under working age; 48s. a week until second child reaches working age; 40s. a week until husband aged 65, and 40s. a week thereafter as old-age retirement benefit.	45s. a week while both children under working age; 40s. a week until second child reaches working age; 35s. thereafter until husband reaches age 65 and 35s. a week thereafter as old-age retirement benefit.
Industrial origin.....	After 13 weeks of temporary disability benefit, 60s. a week (maximum) or ½ earnings, or lump-sum settlement. ³	After 13 weeks of temporary disability benefit, pension of ½ earnings from 50s. (minimum) to 76s. (maximum) a week, while both children under working age.	72s. 6d. a week if totally unemployable and both children under working age; 20s. a week additional if requiring full-time attendance; no deduction for initial period of hospitalization but 10s. a week deducted if he reenters hospital; benefits reduced for partial disability.
Maternity.....	£2 as lump sum.....	£4 as lump sum.....	£4 as lump sum; attendant's allowance of 20s. a week for 4 weeks to provide domestic help.
Death grant for any member of family.....	£6-£20 as lump sum, depending on age of deceased.	£6-£20 as lump sum, depending on age of deceased.
Death of husband ⁴	18s. a week while both children under working age; 15s. a week while only 1; 10s. a week thereafter.	52s. a week for 13 weeks; 40s. a week thereafter while both children under working age; 32s. a week until second child reaches working age; nothing thereafter until old-age retirement benefit at age 60.	46s. a week for 13 weeks; 34s. a week thereafter while both children under working age; 28s. a week until second child reaches working age; 20s. a week thereafter if aged 50-59; at age 60, old-age retirement benefit of 20s. a week.
Death of husband and wife.....	16s. a week (8s. each) until older child reaches working age; 8s. a week until second child reaches working age; nothing thereafter.	24s. a week (12s. each) until older child reaches working age; 12s. a week until second child reaches working age; nothing thereafter.
Old age ⁴	20s. a week when husband reaches age 65, regardless of age of wife.	Effective after 20 years: 40s. a week when husband retires from work at age 65, regardless of age of wife; additional 2s. a week for each year retirement postponed beyond age 65.	Effective at initiation of system: 35s. a week when husband retires from work at age 65, regardless of age of wife; additional 2s. a week for each year retirement postponed beyond age 65. Pension reduced by amount of earnings over 20s. a week.
Medical needs: Husband.....	Free services of general practitioner.	Free services of all medical practitioners; unlimited free hospitalization; possible reduction of disability benefits during hospitalization.	Free services of all medical practitioners; unlimited free hospitalization with disability benefits reduced by 10s. a week after 28th day.
Wife, children, and any other members of household.....	Free services of all medical practitioners; unlimited free hospitalization.	Free services of all medical practitioners; unlimited free hospitalization with no reduction in insurance benefits.

¹ Assuming husband a wage earner with all contribution conditions met, wife not gainfully occupied, and both children under working age, i. e., under 15, or 16 if attending school.

² Includes war increases.

³ From nonindustrial causes. Benefits differ under workmen's compensation.

⁴ Assuming that both children have attained working age when father retires. Source: *Social Insurance and Allied Services, Report by Sir William Beveridge*, Macmillan, New York, 1942, pp. 113, 217; *Social Insurance, Part I*, Cmd. 6550, and *Part II, Workmen's Compensation*, Cmd. 6551, pp. 30-31, H. M. Stationery Office, London, 1944.

sioner's declaration that his earnings have not changed.

Survivorship.—Provisions for widows of insured persons include temporary benefits to aid in adjusting to changed economic conditions, guardian's benefits, and widow's pensions. The latter two terminate on remarriage and are to be reduced for weekly earnings of more than 20s. The contribution requirements for all types of benefits for widows are the same as for full retirement pensions, that is, 156 actual contributions and an annual average of 50 contributions paid or excused, with reduced benefits for lower averages.

Temporary benefits of 36s. a week will be paid for 13 weeks to women widowed before attaining age 60 and to older widows whose husbands had not qualified for retirement pensions. If the widow of a man insured in Class I or II has no child below working age in her care at the end of the 13 weeks and is incapacitated for work, she will receive sickness benefits of 24s. (or after 3 years, invalidity benefits of 20s.) a week as long as her illness lasts; at age 60, she receives a retirement pension.

A guardian's benefit of 24s. a week will be paid a widow with one or more children below working age in her care. This benefit, which starts with the 14th week of widowhood, will continue as long as any child is of eligible age.

If the widow is aged 50 or over when her husband dies or when her guardian's benefit ceases, and if she was married to her husband for at least 10 years before either event, she will receive a widow's pension of 20s. a week until she qualifies for retirement pension. If the widow of a worker in Class I or II is incapacitated, she may receive disability and invalidity benefits until she reaches age 60 and gets her retirement pension.

A lump-sum death grant, varying with the age of the deceased person, will be paid for an insured person of any class, for the wife or child of each insured person, and for a pensioner, as follows: at ages below 3 years, £6; between 3 and 6 years, £10; between 6 and 18 years, £15; and over 18 years, £20. As a transitional provision, only £10 will be paid for persons aged 55-64 when the program starts, and no grants will be available for children

under age 10 unless they were born after the beginning of the system.

Reduction of benefits during hospitalization.—The Government proposes to reduce the standard rates of insurance benefits by 10s. a week during hospitalization after the beneficiary has been hospitalized for 28 days, since the hospital will provide many items, such as food, fuel, light, and bedding, which are part of ordinary maintenance. This reduction applies to sickness, maternity, and invalidity benefits, retirement pension, widow's and guardian's benefits, and widow's pension. Except in the case of a joint retirement benefit, reduction is not made when the beneficiary's dependent receives hospital care.

Workmen's Compensation

The Government considered the feasibility of including workmen's compensation in the general insurance system, as Sir William had proposed, on the same terms as disability arising from other causes, and superimposing on that system a liability on the individual employer to provide additional benefits; it was concluded, however, that such an arrangement, by perpetuating the principle of the liability of the individual employer, would retain the defects of the present system. The White Paper therefore proposes to set up a separate system, with separate contributions and a separate fund, but administratively coordinated with the general insurance system under the Minister of Social Insurance.

The system would cover all persons working under contract of service or apprenticeship (except those under school-leaving age) and would also include nonmanual workers without income limit. For work-connected injuries or death, industrial allowances or pensions would replace sickness, invalidity, widow's, guardian's, and orphan's benefits, but not death grants, under the general system.

Both benefits and contributions would be fixed amounts, since the Government, in contrast to Sir William, proposes to gear industrial pensions to degree of disability rather than wage loss, and the benefits would not be conditioned on a required number of contributions. The employer, the worker, and the Exchequer would

all contribute toward the fund. In advocating employer and employee contributions for workmen's compensation at flat rates without regard for the hazards of individual industries, the White Paper says . . . "Equal contributions will be required for the main benefits under the general scheme of social insurance, and from the workman's point of view it would seem desirable that he should be on an equality in this respect with the employer." Dismissing suggestions for experience rating, which had been accepted by Sir William, the Government denies the argument that special levies based on the degree of hazard in the industry will provide a real financial incentive for employers to prevent accidents. "It must be borne in mind that a substantial number of accidents are due to causes outside the employer's control." It is believed that no experience-rating system could be operated equitably and "that the complication and expense involved in any such system would be out of all proportion to the results likely to be achieved."

Industrial disability.—An industrial injury allowance, for the first 13 weeks of work-connected disability, will be 35s. a week. After that period an industrial pension is payable at the rate of 40s. a week if the pensioner is totally disabled; for partial disability the amount will be reduced in proportion to the degree of disability. The amounts are to be the same for men and for women, and benefits at half the adult rates will be paid to unmarried girls and boys under age 18.

If, despite remedial measures, the pensioner remains virtually unemployable, a personal supplement of 10s. a week will be paid. A totally disabled worker who needs constant attendance may receive an additional weekly allowance of not more than 20s.

While the worker is receiving either a disability allowance or an industrial invalidity pension for total disability, his wife will receive an allowance (8s. 9d. or 10s. a week, respectively) if she was living with or mainly dependent on him at the time of his injury. The same allowances will be payable to a husband dependent on a woman employee receiving an injury allowance or pension. In cases of partial

disability, these allowances for dependents are to be reduced in proportion to the degree of disability recognized in the pension.

If no wife's allowance is payable and the worker is incapable of work as a result of the injury, an allowance at the rate for a wife can be paid, as in the general system, for one adult dependent or for a housekeeper who looks after his dependent children.

In contrast to the provisions under the general system, no deduction from any of these payments will be made while a worker is hospitalized because of industrial injury. If, however, the worker has to reenter a hospital or institution for further approved treatment, 10s. a week will be deducted from the industrial pension for total disability, but not from the allowances payable during total disability to the wife, child, or other dependent.

Death.—The widow of a man who dies from industrial injury will receive a pension if she was married to him before the injury and was living with him at the time of his death. The amount will be 30s. a week if she is aged 50 or over, or is incapable of self-support, or has the care of a child under working age; otherwise, 20s. a week. If she is aged 50 or more when the last child reaches working age, her allowance will continue at the 30s. rate.

Whether or not the worker leaves a widow, a maximum of 20s. a week will be paid to a deceased worker's parent who is incapable of self-support; if both parents qualify, the maximum

joint pension will be 30s. If no pension is payable to a widow or parent, a maximum weekly allowance of 20s. will be payable to one adult member of the family incapable of self-support.⁶

A widower who is incapable of self-support will receive 20s. a week if he was married at the time his wife received an industrial injury and was living with his wife at the time of her death from the injury. Any other adult member of the deceased worker's family will be eligible for a temporary allowance of 36s. a week for 13 weeks, if wholly dependent on the worker at the time of the injury, or, if partially dependent, for an amount proportioned to the degree of dependency. Pensions for widows and other women dependents cease on their marriage, but on remarriage a widow is to receive a gratuity equal to 1 year's pension.

Public Assistance

National assistance—now limited mainly to old-age pensioners, widowed pensioners with children, and able-bodied persons normally employed in occupations covered by existing social insurance programs—will be expanded under the Government's plan to provide financial aid to any person on proof of need. Since most persons who become blind would qualify for sickness, invalidity, or old-

⁶ If there is no such adult dependent, a pension of the same amount will be payable to any woman residing with the worker at the time of his injury while she has the care of one or more of his children under working age.

age retirement benefits before the onset of blindness, the Government proposes to abolish the present non-contributory pension system for the blind and to provide assistance to all needy blind persons on the same basis as for other needy residents of the country. The major expenditures for public assistance will be for old-age and unemployment assistance.

Income and Expenditures

The social security budget (table 3) proposed by the Government excludes the cost of workmen's compensation, training allowances, and benefits in kind to children but includes estimated expenditures for health services—toward which grants will be made from the social insurance funds—and costs of family allowances⁷ and national assistance, financed from general revenues. It is estimated that contributions of insured persons and of employers will represent nearly half (44 percent) of expenditures for these programs at the beginning of the system. The share of the Exchequer or local tax funds would be 54 percent in 1945, as compared with 65 percent estimated for existing programs and about 50 percent under the Beveridge proposals.

⁷ The insurance funds will bear the costs of the allowance for the oldest child of eligible age in families receiving benefits, and of increasing from 5s. to 12s. a week the allowance for orphaned children. Estimates of contributions and expenditures include these amounts for children in the type of benefit with which they are associated.

Table 3.—Great Britain: Estimated income and expenditures for social security under existing programs (P), the Beveridge plan (B) and Government proposals (G)

Program	1945			1955			1965			1975			1945			1955			1965			1975			
	P	B ¹	G ¹	B ¹	G ¹	B ¹	G ¹	B ¹	G ¹	B ¹	G ¹	B ¹	G ¹												
	Amount (in millions)												Percentage distribution												
Income, total.....	£420	£607	£650	£764	£731	£858	£796	£831	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
Contributions.....	136	331	283	331	280	324	275	259	32	48	44	43	38	37	35	31	31	31	31	31	31	31	31	31	
Interest on existing funds.....	15	15	15	15	15	15	15	15	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	
Balance from Exchequer ⁸	278	351	352	418	436	519	506	557	65	50	54	55	60	61	63	67	67	67	67	67	67	67	67	67	
Expenditures, total.....	411	607	650	764	731	858	796	831	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	
Social insurance benefits.....	£232	367	374	442	428	553	500	542	57	53	57	58	59	64	63	65	65	65	65	65	65	65	65	65	65
National assistance.....	£05	47	69	41	73	32	70	67	23	7	11	5	10	4	9	8	8	8	8	8	8	8	8	8	8
Family allowances.....	34	113	59	111	60	103	56	82	31	16	9	15	8	12	7	6	6	6	6	6	6	6	6	6	6
Health services.....	80	170	148	170	170	170	170	170	19	24	23	22	23	20	21	21	21	21	21	21	21	21	21	21	21

¹ The Beveridge plan includes and Government plan excludes amounts for workmen's compensation and training benefits.

² Or local tax funds.

³ Administrative costs for national assistance and family allowances included in social insurance benefits.

Source: *Social Insurance, Part I*, Cmd. 6550, H. M. Stationery Office, London, 1944, pp. 52, 53, and 55, and *Social Insurance and Allied Services, Report by Sir William Beveridge*, Macmillan, New York, 1942, pp. 199, 206-207, 209.

Contributions.—In most cases the contributions are lower than those proposed by Sir William (table 4). Weekly contributions vary with occupational class, age, and sex and range from 6s. 11d.¹ for men aged 18 and over in Class I to 1s. 10d. for girls 16 and 17 in Class IV. Contributions paid by persons in Classes II and IV are smaller than the joint employer-employee contribution, because the risks against which these persons need social insurance are more limited. The contributions paid by persons in Class II, on the other hand, are larger than the employee contribution paid by insured persons in Class I.

Every week in the year must be accounted for by an appropriate stamp on the social insurance card or by excusal or exemption. Persons in Classes I and II will be excused from contributions during certified sickness, maternity, unemployment (applicable to Class I only), and receipt of training allowances. In Class IV, contributions need not be paid by students or some others engaged in full-time courses of instruction, by unpaid apprentices, by persons receiving training allowances, or by the individual while in receipt of widow's or guardian's benefits or widow's pensions. All "excused" contributions are deemed to have been paid for pur-

¹ This amount includes employer contribution under the general system and 6d. a week for workmen's compensation, payable in equal shares by worker and employer.

Table 4.—Great Britain: Weekly social insurance contributions under Beveridge plan (B), and Government proposals (G)¹

Sex and age group	Class I						Class II		Class IV	
	Total		Employer		Insured person		B	G	B	G
	B	G	B	G	B	G				
Men:	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.	s. d.
21 and over.....	7 6	6 5	3 3	2 9	2 10	4 3	3 7	4 3	3 0	3 4
18-20 years.....	6 3	5 0	2 6	1 1 1½	2 6	2 3½	2 0	2 9	1 6	2 2
Women: ²										
21 and over.....	6 0	5 1	2 6	2 3	3 6	2 10	3 9	3 6	3 0	2 8
16-17 years.....	4 0	3 5	2 0	1 6	2 0	1 11	2 0	2 5	1 6	1 10

¹ See table 1 for occupational classification of population and scope of protection. Of these amounts, 10d. for men, 8d. for women, and 6d. for young persons under 18 represent contributions toward health services; the employer pays 1½d. of the amount for men and women in Class I.

² In addition employer pays 3d. a week for men, 2d. for women, 1½d. for boys under 18, and 1d. for girls as contribution toward workmen's compensation; insured person pays equal amount.

³ Married women can elect exemption from contributions or can contribute at Class I, II, or IV rates, according to certain conditions, if they wish to retain insurance status in their own right.

Source: *Social Insurance, Part I*, Cmd. 6550, H. M. Stationery Office, London, 1944, p. 43; *Social Insurance and Allied Services, Report by Sir William Beveridge*, Macmillan, New York, 1942.

poses of meeting contribution requirements for insurance status.

Contribution requirements for invalidity and old-age, and survivor benefits for widows, are modified for persons insured or receiving benefits under the existing insurance systems and for those who are over age 16 when the new system starts, so that they may qualify for full benefits. Housewives are in general covered by their husbands' contributions, but if they are in gainful work and elect to contribute in their own right, married women can claim sickness, unemployment, and old-age benefits based on their own contribution records.

A few persons may at times be granted exemptions from contribu-

tions, though their employers, if any, will continue to pay the employer share. The exemptions comprise (1) persons in Classes II or IV with incomes of less than £75 a year; (2) those of pension age who take up employment after having accepted retirement pensions; (3) widows in Class I or II who are receiving guardian's benefits or widow's pensions; (4) gainfully occupied married women who earn less than 20s. a week or who do not elect to continue contributing; and (5) insured persons in prison.

Persons who leave Great Britain may be permitted to maintain their contribution records through special arrangements. While in Great Britain citizens of other countries will become contributors immediately if employed; otherwise, only if they remain in the country for more than 6 months for purposes other than courses of study.

For workmen's compensation, the weekly employee contribution is set at 3d. for men, 2d. for women, and 1½d. for boys and 1d. for girls under age 18. An equal amount is to be paid by the employer. Payments will be made by adding the required amounts to the value of the insurance stamp which the employer places each week on the worker's insurance card. The worker's share of the contribution, like other contributions for Class I, will be deducted by the employer from the worker's wages. Contributions will provide five-sixths, and the Exchequer one-sixth, of the income of

Table 5.—Great Britain: Percentage allocation of full actuarial contribution for social insurance for adult employed person (Class I) under Government proposals¹

Insurance benefit	Total		Insured person		Employer		Exchequer ²	
	Men	Wom-en	Men	Wom-en	Men	Wom-en	Men	Wom-en
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Retirement pensions.....	33.6	39.9	34.6	40.5	37.6	44.8	25.1	30.6
Widows and guardians benefits.....	7.3	—	7.5	—	8.5	—	5.2	—
Unemployment benefit ³	33.5	28.4	27.6	22.7	30.1	25.8	49.8	43.5
Sickness and invalidity benefits.....	17.2	17.4	17.6	17.3	19.1	19.8	13.1	13.6
Maternity grant and benefits.....	1.4	0.4	2.9	9.7	—	3.6	1.0	4.8
Death grant.....	2.1	1.6	5.2	4.0	—	—	—	—
Administrative cost.....	4.9	6.3	4.6	5.8	4.7	6.0	5.8	7.5

¹ Based on assumption that contributions for long-term benefits represent ½ of the amount required for benefits to an insured person (and any eligible dependents) contributing from age 16 until retirement age. The Exchequer would bear the remaining ½ and would carry a larger part of costs for newly covered persons and for increased benefits for persons insured under existing systems. Contributions represent ¾ of the costs of unemployment benefits and ½ of those of other short-term benefits (except death grants, for which the contribution represents the total costs), and the Exchequer meets the balance.

² The average proportion from Exchequer is about 22 percent of full contribution.

³ Assuming average unemployment of about 8.8 percent.

Source: Computed from contribution amounts in *Social Insurance, Part I*, Cmd. 6550, H. M. Stationery Office, London, 1944, p. 46.

the industrial injury insurance fund, out of which all benefits and administrative charges will be paid.

Expenditures.—The proposed expenditures of £650 million in 1945 (table 3) are increased to £733 million if the Government's estimates of £23 million for workmen's compensation (£20 million for payments, £3 for administration) and £60 million for payments in kind for school children are included. The allocation of this £733 million compares, as follows, with the budget proposed by Sir William:

Item	Estimated expenditures for 1945 (in millions)	
	Government	Beveridge
Total	£733	£697
Retirement pensions	169	126
Widows and guardians benefits	34	29
Sickness and invalidity benefits	55	57
Industrial disability	120	15
Maternity grants and benefits	19	18
Unemployment benefits	87	4110
Unemployment assistance	22	—
Other assistance	43	44
Funeral grants	4	4
Family allowances	117	110
Health services	148	170
Administration	25	24

¹ Includes pensions in fatal cases.

² Includes attendants' allowances.

³ Includes marriage grants.

⁴ Includes training benefits not included in Government estimates.

⁵ Includes £60 million for payments in kind, assuming that program is in full operation.

The Government allocates almost a third of proposed expenditures as insurance payments to widows and aged persons, while Beveridge allotted them about one-fifth of the total. Both propose to spend about one-sixth of the total for children, though under the Government plan more than half the amount would be in payments in kind, while Sir William gave no estimate of the costs of supplementing children's allowances with free milk and school meals. Public assistance is a larger proportion of the total under the Government plan because of its provisions for unemployment assistance. Moreover the Government anticipates substantial expenditures to supplement insurance benefits on a needs basis, since benefit levels will not represent the full subsistence amounts which Sir William

considered an essential of assuring freedom from want on an insurance basis for the majority of the population.

Administration

The White Paper proposes to establish a single organization with responsibility for all parts of the system—either a ministry or administrative board. The Government urges immediate appointment of a Minister of Social Insurance, to be responsible for legislative and other preliminary work and to ensure smooth functioning of existing systems and their transition to the new provisions when adopted. Later, some other form of administration may be desirable. The Minister of Social Insurance would be responsible for establishing and administering the system of family allowances and would have ministerial responsibility for the work of the Assistance Board.

The Beveridge report proposed that placement functions should either be transferred from the Ministry of Labour and National Service to the Ministry of Social Security or should be conducted in the local offices of the social insurance system, but the Government believes that employment services should remain with the Employment Exchanges under the Ministry of Labour.

To enforce contribution requirements and avoid duplication of benefits, the social insurance system will require a register of the entire population to record the contribution class of each person, transfers between classes, contribution records, benefit rights, and insurance status. A network of local social insurance offices would be established to receive claims, give information and guidance, and pay certain benefits. An industrial pensions officer in this local office would be responsible for workmen's compensation claims. Sickness benefits will be paid, according to the claimant's choice, either by postal draft or cash at the local insurance office to someone authorized by the claimant or, if such arrangement is not appropriate, to the claimant in his home. Some benefits may be paid

more conveniently through other departments, such as the Post Office for pensions and the Employment Exchanges for unemployment benefits.

Administration of national assistance would be centralized in a single department, and present responsibilities for public assistance carried by the Customs and Excise Department would be transferred to the Assistance Board. Health functions of local public assistance authorities would be merged in the new national health service. Local authorities would continue to be responsible for care and maintenance of orphaned and deserted children and for providing accommodations for old people who need them. The National Assistance Board, however, would make suitable arrangements for persons other than the sick, the old, and the young, for whom assistance in cash is not appropriate.

While believing that responsibility for both assistance and insurance should rest on a single Ministry, the Government proposes to separate administrative arrangements. Even though examination of means is an important distinction between assistance and insurance, the Government doubts if the distinction would be sufficiently preserved if the two programs were dealt with by the same staff. Any overlapping of inspections and visits or duplication of staffs can be avoided by agency arrangements; at present, for example, an unemployed worker who exhausts his unemployment benefits receives his unemployment assistance (after his needs have been examined and assessed by the Assistance Board) in the same way as benefits.

Although the Government recognizes the value of approved societies in the development of health insurance, it regretfully can find no satisfactory place for those societies in the social insurance program. Payment of unemployment benefits through trade unions will also be discontinued under the proposed plan, and the special unemployment insurance systems for the banking and insurance industries and agriculture will be abolished.

Public Assistance

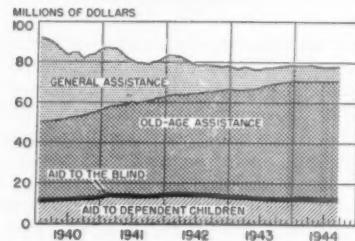
Statistics for the United States

Public assistance payments in the continental United States totaled \$78.0 million during September (table 1), an increase of only \$37,000 from August. There were very small increases in payments for the three special types of public assistance but a 1.3 percent decrease in general assistance payments. In number of recipients, however, the three special types decreased while general assistance did not change appreciably. As a result, average payments for the three special types showed a slight rise and for general assistance a decline.

Old-age assistance.—The continued gradual decrease in the number of recipients (0.2 percent) and increase in amount of payments (0.1 percent) were reflected in a slight increase in the average payment from August to September. The largest increase in a State average was \$2 in Hawaii. Only 4 States reported a decrease. The averages in States ranged from \$11.07 in Georgia to \$47.24 in California.

The number of recipients and amount of payments continued to increase in Mississippi, because of the increased appropriation which was available at the beginning of the fiscal year. Alabama more than doubled the amount of its payments over those a year earlier and recipients increased about one-third.

Chart 1.—Public assistance payments in the continental United States, January 1940–September 1944



Aid to dependent children.—Total payments increased slightly, 0.8 percent, after a gradual decline for the previous 5 months. Expenditures for assistance were somewhat higher in 32 States and smaller in 17 States. Average payments per family increased more than \$2 in 4 States—Delaware, \$2.83; New Mexico, \$4.17;

Table 1.—Public assistance in the continental United States and in all States with plans approved by the Social Security Board, by month, September 1943–September 1944¹

Year and month	Continental United States						States with approved plans														
	Total	Special types of public assistance				General assistance	Total	Old-age assistance	Aid to dependent children		Aid to the blind										
		Old-age assistance	Aid to dependent children		Aid to the blind				Families	Children											
			Families	Children																	
Number of recipients																					
1943																					
September	2,155,930	284,627	703,851	76,547	305,000	—	2,158,883	282,692	609,990	53,438											
October	2,155,246	280,020	693,562	76,137	297,000	—	2,158,178	278,131	689,817	59,833											
November	2,151,542	275,605	682,547	75,762	292,000	—	2,154,466	273,689	678,916	59,463											
December	2,146,066	272,346	675,844	75,503	292,000	—	2,148,088	270,594	672,368	50,363											
1944																					
January	2,133,701	269,771	671,556	75,035	288,000	—	2,136,611	270,270	673,207	58,955											
February	2,120,054	267,849	667,052	74,745	283,000	—	2,122,946	268,343	668,684	58,702											
March	2,110,549	265,952	662,920	74,434	281,000	—	2,113,442	266,451	664,565	58,434											
April	2,101,550	264,139	659,192	74,247	273,000	—	2,104,448	264,632	660,822	58,236											
May	2,092,928	262,655	655,812	73,984	266,000	—	2,095,825	263,142	657,417	58,070											
June	2,084,018	260,220	650,700	73,816	258,000	—	2,086,908	260,709	652,302	57,899											
July	2,077,958	255,828	640,455	72,742	255,000	—	2,080,828	256,283	641,977	56,849											
August	2,072,470	253,121	636,900	72,508	254,000	—	2,075,323	252,565	638,480	56,721											
September	2,067,542	252,273	636,405	72,518	254,000	—	2,070,363	252,726	637,912	56,659											
Amount of assistance																					
1943																					
September	\$77,529,190	\$56,017,833	\$11,314,090	\$2,096,258	\$8,101,000	\$68,800,081	\$56,060,052	\$11,293,365	\$1,416,664												
October	78,086,264	56,601,430	11,307,179	2,107,655	8,070,000	69,591,941	56,673,838	11,286,140	1,631,963												
November	78,203,656	56,881,601	11,308,070	2,105,895	7,908,000	69,875,830	56,954,094	11,290,169	1,631,567												
December	78,724,086	57,207,038	11,293,702	2,113,346	8,110,000	70,194,858	57,279,774	11,274,453	1,640,631												
1944																					
January	78,443,603	57,226,850	11,237,946	2,103,807	7,875,000	70,203,332	57,299,846	11,266,900	1,636,586												
February	78,510,410	57,236,731	11,300,984	2,106,695	7,866,000	70,278,831	57,309,703	11,239,214	1,639,914												
March	78,584,348	57,231,425	11,312,457	2,105,466	7,915,000	70,286,167	57,304,625	11,240,734	1,640,808												
April	78,270,356	57,348,644	11,311,169	2,110,543	7,500,000	70,406,772	57,422,694	11,339,349	1,644,729												
May	78,103,683	57,398,136	11,238,081	2,121,466	7,346,000	70,396,447	57,472,466	11,265,833	1,658,148												
June	77,925,495	57,417,271	11,203,055	2,124,169	7,181,000	70,384,783	57,491,829	11,231,112	1,661,842												
July	77,749,410	57,575,446	11,116,371	2,101,593	6,956,000	70,432,685	57,649,732	11,143,299	1,639,654												
August	77,935,659	57,776,108	10,957,930	2,106,621	7,095,000	70,481,280	57,850,680	10,985,632	1,644,977												
September	77,972,852	57,816,254	11,047,649	2,107,949	7,001,000	70,617,865	57,893,729	11,076,079	1,648,057												

¹ Partly estimated and subject to revision. For monthly data January 1933–December 1941, see the *Bulletin*, February 1943, pp. 23–26; for 1942–43 data, see the *Bulletin*, February 1944, p. 27; for definitions of terms, see the September 1941 issue pp. 50–51.

² Excludes estimated increase in payments due to change in payment dates for old-age assistance and aid to the blind in Baltimore, Md.; for aid to dependent children in Baltimore, Md., and New York City; and for general assistance in New York City.

New York, \$2.52; and Wisconsin, \$2.24—and from \$1–2 in 6 additional States—California, District of Columbia, Kansas, New Jersey, Oregon, and Wyoming.

The decrease of 0.3 percent in number of families receiving assistance

was the smallest since April 1942 and completed 30 months of continuous decline. The change from August in the number of children aided was much larger than the change in number of families in Georgia, Kentucky, and Minnesota.

Aid to the blind.—Recipients decreased and total payments increased—only 0.1 percent in each instance. September was the fifteenth consecutive month of decline in the number of recipients. The average payment increased in 39 States—less than \$1 in 37, but \$2.85 in Hawaii and \$1.75 in North Dakota. The highest average payment was \$47.58 in California, and the lowest, \$13.05 in Kentucky.

General assistance.—The small increase of 0.1 percent in the number of cases assisted in September represents the first increase since January 1942. The additional 1,440 old-age assistance cases receiving supplementation in the State of Washington are more than sufficient to explain the rise in total cases. Noticeable increases in the number of recipients occurred in 5 other States—Georgia, 15 percent; Missouri, 3.1 per-

cent; New Mexico, 4.0 percent; North Carolina, 3.3 percent; and South Dakota, 4.1 percent.

Total payments decreased 1.3 percent. Colorado, with a decline of 14 percent, accounted for a dispropor-

Chart 2.—*Recipients of public assistance in the continental United States, January 1939–September 1944*

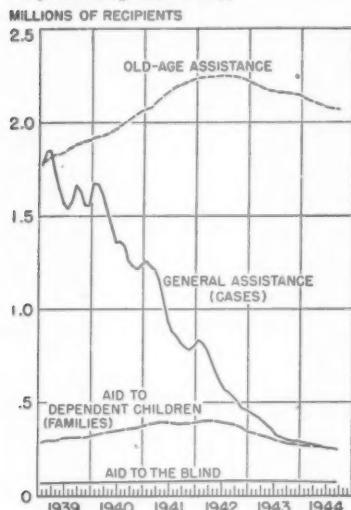


Chart 3.—*Payments to recipients of public assistance in the continental United States, January 1939–September 1944*

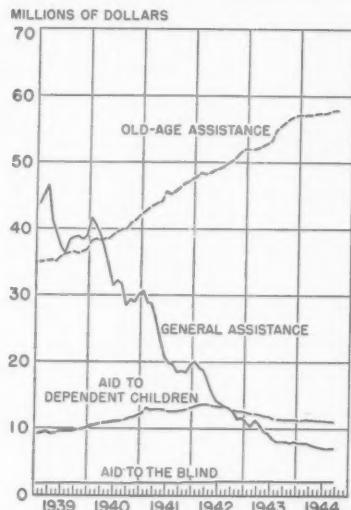


Table 2.—*Old-age assistance: Recipients and payments to recipients, by State, September 1944*¹

State	Number of recipients	Payments to recipients		Percentage change from—				State	Number of recipients	Payments to recipients		Percentage change from—					
		Total amount	Average	August 1944 in—		September 1943 in—				Total amount	Average	August 1944 in—		September 1943 in—			
				Number	Amount	Number	Amount					Number	Amount	Number	Amount		
Total	2,070,393	\$57,893,729	\$27.96	-0.2	+0.1	-4.1	+3.2	Mo.	102,541	\$2,304,499	\$22.47	-0.3	+0.4	-4.5	+3.8		
Ala.	29,920	489,506	16.36	+5	+7	+34.5	+102.5	Mont.	10,992	323,750	29.45	-2	+3	-5.9	+6.7		
Alaska	1,374	44,554	32.43	-7	-5	-5.5	(9)	Nebr.	24,914	657,710	26.40	-2	+2	-6.4	-1.9		
Ariz.	9,514	365,472	38.41	-3	-3	-9	+1.1	Nev.	1,964	75,095	38.24	-2	+1	-3.6	-2.0		
Ark.	27,573	478,480	17.35	+5	+1.8	+5.4	+23.6	N. H.	6,581	183,422	27.87	-2	+2	-3.9	+1.2		
Calif.	157,840	7,455,744	47.24	+1	+1	+2.1	+1.5	N. J.	24,991	734,512	29.39	-3	+7	-4.0	+7.9		
Colo.	40,801	1,683,271	41.26	-1	(9)	-1.7	-1.5	N. Mex.	5,420	175,381	32.30	+7	+9	+5.9	+15.7		
Conn.	14,237	494,216	34.71	+2	+8	-6.3	-3.9	N. Y.	107,033	3,545,289	33.12	-3	-1	-6.8	+1.8		
Del.	1,466	21,667	14.78	-1.4	-8	-17.8	-9.9	N. C.	33,193	378,254	11.40	-4	+2	-7.6	-1.6		
D. C.	2,658	84,221	31.69	-7	+5	-13.2	-9	N. Dak.	8,795	274,972	31.26	-3	+1.7	-2.9	+21.4		
Fla.	38,941	1,102,664	28.32	+4	+8	-3.5	+80.1	Ohio.	123,380	3,571,851	28.95	-4	+1	-6.8	-2.4		
Ga.	68,500	758,570	11.07	-4	(9)	-2.2	+6.7	Oklahoma.	76,928	2,048,099	26.62	(9)	+5	-2	+15.0		
Hawaii	1,477	32,921	22.29	+4	+10.4	-1.5	+19.1	Oreg.	19,620	671,913	34.25	+2	+6	+4	+19.1		
Idaho	9,851	300,057	30.46	-3	-4	+1.5	+14.1	Pa.	84,560	2,433,269	28.78	-3	(9)	-5.3	-2.8		
Ill.	125,165	3,882,776	31.02	-6	-5	-14.1	-8.2	R. I.	7,185	230,731	32.11	-1	+7	-1.7	+10.7		
Ind.	58,105	1,426,065	24.54	-3	+6	-8.2	-9	S. C.	21,377	295,063	13.80	+5	+8	+2.0	+10.0		
Iowa	50,804	1,492,635	29.38	-2	+1.0	-5.2	+10.0	S. Dak.	13,006	310,574	23.88	-2	+1	-6.0	+4.0		
Kans.	28,346	792,281	27.95	-3	+6	-4.3	+2.7	Tenn.	38,271	635,789	16.61	(9)	+4	-1.7	+6.3		
Ky.	53,784	605,797	11.26	-5	+4	+5	+0.2	Tex.	169,857	3,666,712	21.59	-3	-5	-6.4	-1.8		
La.	36,392	802,971	22.06	-4	+1	-2.1	+5.4	Utah.	13,152	485,023	36.88	-1	-1	-4.1	-3.3		
Maine.	14,991	418,342	27.91	-5	+3	-3.9	+12.9	Vt.	5,185	106,778	20.59	-6	-6	-3.9	+3.7		
Md.	12,146	319,056	26.27	-5	(9)	-10.5	+4.6	Va.	15,901	204,591	12.87	-7	+3	-8.3	+4.4		
Mass.	74,012	2,968,685	40.11	-2.3	-2.1	-7.6	+2.4	Wash.	59,971	2,267,269	37.81	+1	+2	-2.3	-1		
Mich.	85,177	2,516,786	29.55	(9)	+4	-3.2	+1.8	W. Va.	18,534	336,241	18.14	+6	+1.1	-3.4	+37.9		
Minn.	66,773	1,638,009	28.85	-3	+3	-5.0	+3.1	Wis.	46,691	1,301,833	27.88	-4	+2	-6.1	+8		
Miss.	27,237	396,856	14.57	+2.2	+2.3	+7.5	+67.3	Wyo.	3,256	103,507	31.70	+1.6	+4	-4.5	-2.5		

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50–51. All data subject to revision.

² All 51 States have plans approved by Social Security Board.

³ Decrease of less than 0.05 percent.

⁴ Includes \$88,317 for payments to 2,132 recipients aged 60 but under 65 years.

⁵ Increase of less than 0.05 percent.

Table 3.—General assistance: Cases and payments to cases, by State, September 1944¹

State	Number of cases	Payments to cases		Percentage change from—			
				August 1944 in—		September 1943 in—	
		Total amount	Average	Number	Amount	Number	Amount
Total ²	255,000	\$7,020,000	\$27.56	+0.1	-1.3	-16.6	-13.5
Ala.	2,870	42,180	14.70	+8	+2.9	+24.6	+66.8
Alaska	116	3,052	26.31	+6.4	+2.8	+14.9	+17.7
Ariz.	2,130	62,366	29.28	-1.6	-2.1	+1.5	+15.9
Ark. ³	2,883	32,259	11.19	-8	(*)	-1.0	+34.5
Calif.	10,905	380,020	34.85	-6	-1	-12.2	+4.8
Colo.	4,498	114,955	25.56	-2.0	-14.5	+1.9	+0.8
Conn.	2,496	78,753	31.55	+3	+4.0	-18.2	-13.8
Del.	328	7,781	23.72	-1.5	-9.4	-3.5	+6.6
D. C.	822	29,867	36.33	-2.0	+4	-8.0	+36.8
Fla.	5,000	\$1,41,000					
Ga.	2,616	28,485	10.89	+14.7	+14.2	-16.6	-5.3
Hawaii	560	16,286	29.08	-1.6	-1.0	-6.4	+8.8
Idaho ⁴	603	11,690	19.88	-1.6	(*)	-15.4	-4.2
Ill.	26,371	848,104	32.16	-1.6	-8.0	-28.5	-19.8
Iowa	4,151	75,290	18.14	-1.4	+2.4	-33.7	-30.6
Kans.	3,398	90,262	26.56	-3.2	-4.1	-19.2	-7.5
Ky.	2,100	\$28,000					
La.	6,458	109,899	17.02	+8	+1.6	+21.2	+2.2
Maine	1,879	53,638	29.61	-6	+3.4	-19.2	-2.5
Md.	4,385	146,430	33.40	+1.2	+8.0	-4.9	+17.8
Mass.	12,807	287,678	30.27	-5	-3.2	-17.9	-12.0
Mich.	9,816	297,758	30.33	+7	-3.2	-17.4	-21.5
Minn.	5,586	140,922	25.23	-1.7	+2.0	-23.8	-17.2
Miss.	317	2,251	7.10	-8.9	-8.3	-28.3	-16.0
Mo. ⁵	7,406	171,685	23.18	+3.1	+2.3	+11.8	+16.4
Mont.	1,184	28,359	23.95	+1.1	+3.1	-3.2	+17.4
Nebr.	1,721	32,375	18.81	+5	+4.4	-18.7	-
Nev.	240	3,698	15.41	-8.0	-4.4	+6.2	-15.9
N. H.	1,276	33,830	26.52	-4	+1.6	-22.9	-19.5
N. J. ⁶	4,907	149,190	30.40	-2.5	-2.2	-37.6	-30.8
N. Mex. ⁷	947	18,589	19.63	+4.0	+6.6	-19.5	-7.0
N. Y. ⁸	39,496	1,763,607	44.65	-1.0	+1	-33.2	-27.1
N. C.	2,358	23,271	9.87	+3.3	+4.1	-12.6	(*)
N. Dak.	677	14,899	22.01	-1.2	-9	-26.3	-19.1
Ohio	11,263	297,468	26.41	+1	+2.6	-15.3	-6.2
Oklahoma	4,850	38,800	(*)	-2	(*)	+40.4	
Oreg.	3,151	119,564	37.94	-3	+3.3	+12.2	+31.0
Pa.	21,823	516,806	23.64	-1.7	-5.4	-21.2	-16.2
R. I.	1,889	50,258	31.37	+3	-1.5	+1.5	-7.5
S. C.	2,605	27,888	10.71	-3.1	-4.3	+8.7	+10.6
S. Dak.	863	16,221	18.80	+4.1	-2.0	-21.8	-8.5
Tenn.	1,200	\$1,9,000					
Tex.	2,800	\$42,000					
Utah	1,450	57,003	39.31	-1	-3	-10.2	-2.8
Vt.	819	18,549	22.65	-2.2	+8.5	-14.2	-3.3
Va.	3,153	46,411	14.72	+3	+4.4	-13.2	+2.1
Wash.	12,686	258,452	20.37	+12.9	+4.0	+115.1	+23.0
W. Va.	4,823	84,463	17.51	+2.4	-1.2	+32.0	+113.2
Wis.	4,943	114,103	23.06	+7	+1.6	-27.1	-23.4
Wyo.	357	9,461	26.50	+2.0	+1	-16.6	-1.9

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. All data subject to revision.

² Partly estimated; does not represent sum of State figures, because total excludes estimated number of cases and payments for medical care, hospitalization, and burial only in Indiana and New Jersey, and estimated duplication of cases in Oklahoma.

³ State program only; excludes program administered by local officials.

⁴ Increase of less than 0.05 percent.

⁵ Estimated.

⁶ Excludes assistance in kind and cases receiving assistance in kind only, and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 60 percent of total.

⁷ Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

⁸ Excludes a few cases and a small amount of local funds not administered by State agency.

⁹ Includes cases receiving medical care only; number believed by State agency to be insignificant.

¹⁰ Decrease of less than 0.05 percent.

¹¹ Represents 1,862 cases aided by county commissioners, and 2,988 cases aided under program administered by State Board of Public Welfare; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.

Table 4.—Aid to the blind: Recipients and payments to recipients, by State, September 1944¹

State	Number of recipients	Payments to recipients		Percentage change from—			
				August 1944 in—		September 1943 in—	
		Total amount	Average	Number	Amount	Number	Amount
Total	72,583	\$2,109,610	\$29.06	-0.1	+0.1	-5.3	+0.6
Total, 46 States	56,650	1,648,057	29.09	-1	+2	+6.0	+16.3
Ala.	728	12,287	16.88	-1	0	+11.8	+61.2
Ariz.	420	18,605	44.30	+3.4	+2.9	-7.4	+29.3
Ark.	1,215	23,968	19.73	+1	+1.1	+2.0	+19.1
Calif.	5,790	275,461	47.58	-6	-5	-11.2	-10.4
Colo.	506	18,094	35.76	0	-7	-10.6	-8.4
Conn.	166	5,579	33.61	+0.2	+7.0	+7.8	+10.9
D. C.	226	8,195	35.26	-1.3	-1.1	-14.7	-10.3
Fla.	2,295	67,302	29.33	-4	+1	-5.0	+69.0
Ga.	2,129	29,690	13.95	-3	-1	-2.5	+3.7
Hawaii	65	1,661	25.55	(*)	(*)	(*)	(*)
Idaho	217	6,946	32.01	-1.4	-1.8	-9.6	+1.2
Ill.	5,218	168,502	32.29	+1.1	+1.3	+23.2	+17.6
Ind.	2,196	66,664	30.36	-7	-1.1	-6.0	-3.3
Iowa	1,342	43,298	32.26	-1	+3	-9.1	-6.2
Kans.	1,103	33,380	30.26	-9	+0.9	-8.3	-1
Ky.	1,615	21,077	13.05	+3	+1.1	+19.9	+28.0
La.	1,427	36,733	25.74	-8	-5	-2.0	+2.4
Maine	852	24,328	28.55	-5	+2	-9.5	+4.1
Md.	450	13,233	29.41	+4	+9	-7.8	+4.4
Mass.	930	38,599	41.50	-5	-4	-4.6	+35.2
Mich.	1,263	42,304	33.49	+2	+7	-1.9	+2.1
Minn.	941	32,904	34.97	-7	-4	-4.2	+6.4
Miss.	1,404	23,073	16.43	+1.4	+2.3	+2.5	+53.1
Mo.	3,000	75,000					
Mont.	313	9,580	30.61	-3	+2	+1.0	+10.4
Nebr.	507	12,882	25.41	-1.6	-9	-17.4	-14.8
Nev.	37	1,101	(*)	(*)	(*)	(*)	(*)
N. H.	270	7,624	28.24	0	+3	-8.2	-1.7
N. J.	549	16,906	30.79	+2	+1.8	-9.4	+1.2
N. Mex.	262	7,700	29.39	-1	-4	+4.0	+3.8
N. Y.	2,870	105,863	36.89	-5	-1	+5.7	+19.0
N. C.	2,277	38,119	16.74	(*)	+5	+2.5	+10.0
N. Dak.	117	3,768	32.21	-2.5	+3.1	-8.6	+17.7
Ohio	3,129	81,641	26.09	-3	+5	-9.3	-1.1
Oklahoma	1,869	54,472	29.14	-1.0	-9	-6.3	+7.2
Oreg.	371	43,111	-3	+1.0	+3.9	+13.5	+13.5
Pa.	12,897	385,458	89.89	-1	+1	-3.5	-3.3
R. I.	92	2,667	28.99	(*)	(*)	(*)	(*)
S. C.	881	16,787	19.05	+1.1	+2.6	+8.0	+20.1
S. Dak.	216	4,677	21.65	0	+6	-8.9	+7.0
Tenn.	1,544	31,410	20.34	+6	+7	-2.2	+8.0
Tex.	4,687	110,459	24.08	(*)	-3	+1.6	+2
Utah	131	5,331	40.69	-2.2	-5	+5.6	+8.9
Vt.	158	4,522	28.62	-6	-2	+2.6	+21.4
Va.	965	16,372	16.97	+2	+2.1	-4.2	+13.6
Wash.	629	24,546	39.02	-2.0	-1.5	-17.1	-14.3
W. Va.	815	18,605	22.71	-6	-5	-6.8	+20.9
Wis.	1,486	41,951	28.23	-5	(*)	-11.3	-3.8
Wyo.	123	4,398	35.70	+8	+5	+3.4	+7.0

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation. Delaware and Alaska do not administer aid to the blind. All data subject to revision.

² Total for States with plans approved by Social Security Board. Recent approval of Illinois plan caused unusually large percentage changes in comparison with September 1943 data.

³ Includes program administered without Federal participation.

⁴ Not computed. Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.

⁵ No approved plan for September 1943. Percentage change based on program administered without Federal participation.

⁶ Estimated.

⁷ Decrease of less than 0.05 percent.

⁸ Increase of less than 0.05 percent.

tionate share of the total decrease. Georgia raised its amount of total payments, as well as recipients, more than 14 percent, bringing both back to the July levels.

Reports from 18 of the largest cities

in the country indicate that additions to general assistance rolls resulting from loss of employment or decreased earnings have recently equaled, or even exceeded, closings because of new employment or higher earnings. The

strongest factor tending to decrease general assistance loads consists in the continued transfer of cases to the special types of public assistance, rather than a decrease in the actual number of dependent families.

Table 5.—*Aid to dependent children: Recipients and payments to recipients, by State, September 1944¹*

State	Number of recipients		Payments to recipients		Percentage change from—					
	Families	Children	Total amount	Average per family	August 1944 in—			September 1943 in—		
					Number of—		Amount	Number of—		Amount
					Families	Children		Families	Children	
Total ² ...	252,833	638,155	\$11,079,926	\$43.82	-0.3	-0.1	+0.8	-11.4	-9.6	-2.3
Total, 49 States ³ ...	252,726	637,912	11,076,079	43.83	-3	-1	+8	-10.6	-8.9	-1.9
Alabama...	4,967	12,887	121,589	25.48	+.9	+.7	+1.4	+6.9	+4.7	+39.4
Alaska...	35	111	1,916	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Arizona...	1,405	4,059	54,061	38.48	+.7	+1.1	+1.0	-10.4	-8.8	-7.0
Arkansas...	4,717	12,482	131,305	27.84	-1.2	-1.7	(1)	-10.1	-10.6	+8.0
California...	6,240	16,049	484,743	77.68	-1.2	-1.2	+4	-10.5	-7.1	+1.3
Colorado...	3,367	9,025	120,442	35.77	-1	+2	+7	-10.3	-9.0	-7.5
Connecticut...	1,854	4,739	139,691	75.02	+.5	+1.0	+1.7	-1.6	-1.1	+15.0
Delaware...	246	701	15,013	61.03	+2.1	+1.6	+7.0	+8	+6.1	+33.0
District of Columbia...	534	1,673	30,683	57.46	+.6	+1.6	+2.7	-25.5	-23.2	+9.5
Florida ⁴ ...	3,734	9,091	123,153	32.98	+7.3	+8.0	+8.8	+30.3	+27.4	+49.9
Georgia...	3,967	9,730	98,480	24.82	-6	-12.1	-4	-4.6	-3.7	-1.3
Hawaii...	525	1,639	30,362	57.83	+1.4	+1.7	+2.4	-0.6	-10.2	+3.0
Idaho...	1,361	3,708	50,638	37.21	-1.7	-1.6	-1.6	-25.7	-24.8	-22.8
Illinois...	20,166	47,954	672,270	33.34	-1.0	-0	-8	-19.6	-16.8	-17.0
Indiana...	6,930	15,684	241,549	34.86	-1.5	-1.3	-1.0	-35.2	-23.1	-21.7
Iowa...	5,049	7,474	82,185	26.95	+1.2	+7	+1.5	+26.0	+36.7	+71.6
Kansas...	3,062	7,796	142,985	46.70	-1.9	-1.7	+1.0	-29.5	-27.9	-23.2
Kentucky ⁵ ...	4,650	13,912	113,109	24.28	+1.2	+10.3	+1.5	+83.2	+88.7	+70.1
Louisiana...	9,437	24,313	343,246	36.37	-1.6	-1.5	-8	-16.3	-15.8	-15.7
Maine...	1,310	3,745	76,466	57.21	-2.0	-2.1	-1.5	-14.7	-14.7	-1.1
Maryland...	2,677	7,679	90,450	37.15	-6	(1)	+7	-17.7	-16.2	-12.9
Massachusetts...	6,975	17,203	526,955	75.55	+3	+5	+1.0	-9.3	-9.4	+6
Michigan...	12,511	30,098	752,577	60.15	-9	-7	-7	-12.8	-12.0	-8.2
Minnesota...	5,068	13,577	206,084	40.66	-3	+7.4	+8	-17.7	-10.8	-12.8
Mississippi...	2,814	7,148	72,299	23.60	+5	+6	+7.5	+7.5	+7.1	+34.1
Missouri...	10,804	27,037	357,188	33.06	-5	-1	-2	-7.3	-7.7	-4.0
Montana...	1,857	3,406	46,184	34.03	-1.1	-1.3	-1.1	-17.6	-16.8	-13.7
Nebraska ⁶ ...	2,540	5,890	82,503	32.48	-1.5	-1.9	-1.7	-24.4	-23.8	-24.6
Nevada...	78	132	1,938	26.89	(1)	(1)	(1)	(1)	(1)	(1)
New Hampshire...	673	1,601	37,202	55.28	-4	-1.6	+9	-8.4	-9.6	-0.6
New Jersey...	3,542	8,652	181,085	51.13	-1.2	-1.1	+1.3	-22.8	-20.1	-5.2
New Mexico...	2,147	6,204	87,662	49.83	-4	-5	+10.9	-4.3	-5.0	-7.4
New York...	18,361	42,400	1,374,085	74.84	+3	+5	+3.8	-1.7	+3.1	+14.0
North Carolina...	6,286	15,359	185,827	21.61	-7	-1.0	+1	-13.8	-10.9	-7
North Dakota...	1,546	4,267	72,595	46.96	-6	+1	+4	-16.3	-17.2	+2.0
Ohio...	7,673	20,866	398,194	51.90	-1	(1)	+1.3	-15.0	-14.0	-6.3
Oklahoma...	13,435	32,622	457,291	34.04	-3	(1)	-1	-7.0	-4.7	+15.6
Oregon...	1,173	2,862	87,808	74.86	+7	+2	+2.1	-6.1	-4.9	+14.3
Pennsylvania...	21,664	56,838	1,192,214	55.29	-9	-8	-7	-22.0	-20.8	-17.3
Rhode Island...	1,092	2,875	72,806	66.67	+7	+9	+1.9	-1.3	-6.9	+6.8
South Carolina...	3,425	10,282	80,313	23.45	+3	+1.1	+1.2	-1.7	-6	+10.2
South Dakota...	1,471	3,410	47,702	32.43	-2	-8	-4	-11.5	-12.5	-8.2
Tennessee...	10,829	28,147	235,860	31.01	-2	-1	-1	-9.2	-7.7	+11.8
Texas...	10,574	23,028	221,004	20.90	+7	+4	+4	-4.1	-5.6	-5.6
Utah...	1,835	4,877	131,828	71.84	-2	-1	+2	-5.9	-6.9	+7.2
Vermont...	500	1,415	18,566	33.15	-1.6	-9	-1.0	-11.3	-12.3	-8.9
Virginia...	3,517	9,956	95,231	27.08	-1.9	-2.0	-7	-10.1	-9.9	+5.9
Washington...	3,236	8,001	269,990	83.43	+7	+5	+9	+1.7	+3.0	+13.2
West Virginia...	6,738	18,765	223,268	33.14	+1	+6	+1.0	-17.2	-17.5	+18.6
Wisconsin...	6,034	14,538	315,221	52.24	-2	-6	+4.4	-18.4	-18.3	-9.5
Wyoming...	318	854	14,032	44.13	-1.3	+9	+1.7	-28.1	-28.4	-22.9

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation. All data subject to revision.

² Includes program administered in Florida under State law without Federal participation. See footnote 6.

³ Total for States with plans approved by Social Security Board.

⁴ Not computed. Average payment not calculated on base of less than 50 families; percentage change, on less than 100 families.

⁵ Decrease of less than 0.05 percent.

⁶ In addition, in 18 counties payments amounting to \$12,682 were made from

local funds without State or Federal participation to 607 families, in behalf of 1,304 children under State mothers'-assistance law.

⁷ No approved plan for September 1943. Percentage change based on program administered without Federal participation.

⁸ Includes program administered without Federal participation.

⁹ In addition, in 54 counties payments amounting to \$9,267 were made from local funds without State or Federal participation to 374 families, in behalf of 1,206 children under State mothers'-pension law; some of these families also received aid under approved plan.

¹⁰ Increase of less than 0.05 percent.

Employment Security

Operations in Unemployment Compensation

A decided downswing from August occurred in all claims and benefit-payment activities for the Nation as a whole. Initial and continued-claims receipts fell off 6 and 14 percent, respectively, and benefit payments declined 12 percent to \$4.2 million. Approximately 63,000 beneficiaries, 12 percent less than in August, received compensation for 274,189 weeks of unemployment. As compared with September 1943, there were decreases of 11 percent in continued-claims receipts, 4 percent in benefit payments, and 15 percent in number of weeks compensated, but initial-claims receipts increased 7 percent. The \$5.7 billion available for benefit payments on September 30 represented a rise of 6.5 percent from June 30 and of 31.5 percent from September 30, 1943. During July-September the average payment for each week of total unemployment was \$15.95, a slight increase over the average for the preceding quarter and \$1.86 more than that for the third quarter of 1943.

In several States, claims and benefit operations in September deviated from the national trend. In Michi-

gan, initial and continued-claims receipts increased 44 and 27 percent, respectively, benefit payments increased 9 percent, and approximately 8 percent more individuals received compensation each week; in comparison with September 1943, workloads more than tripled. Connecticut reported a decline from August in claims and benefit payments but a very sizable increase over corresponding figures for September 1943. California claims receipts, about the same as in August, were more than one and one-half times those a year earlier, while weeks compensated and benefit payments were 8 percent above those in August, and 82.7 and 103.1 percent, respectively, above those in September 1943.

In 4 of the 13 States reporting increases in initial claims, September receipts were at least 25 percent more than in August. Eleven States received more initial claims than a year earlier, with increases ranging from 6 percent in Alabama to 119 percent in Connecticut and 299 percent in Michigan. For continued claims, 5 States—Alabama, California, Georgia, Indiana, and Michigan—reported a rise for September and 12 States reported increases over September 1943.

The \$337 million in contributions collected during the third quarter was 2.4 percent below the April-June figure, with 21 States sharing in the de-

cline. Alabama reported a 39-percent decrease, attributable primarily to two factors: second-quarter collections of war-risk contributions and a generally lower rate on all collections for the new experience-rating year, which began April 1 and was reflected in third-quarter collections. Sharp declines in other States amounted to 28 percent in North Carolina, 15 percent in Ohio, and 10-14 percent in Alaska, the District of Columbia, Indiana, and Kansas.

The net total of \$13 million paid in benefits during July-September was 18.5 percent below the amount in the preceding quarter. Only 6 States—Alabama, Arkansas, Connecticut, Florida, Massachusetts, and Pennsylvania—reported increases.

During the first 9 months of 1944, interest earned by State accounts in the unemployment trust fund was greater than benefit payments in all States except California, Michigan, Rhode Island, and Tennessee. Only 4.8 cents was paid in benefits for each dollar collected. Thirty-seven States paid less than 5 cents per dollar collected, and the benefit-collection ratio was below 10 percent in all jurisdictions except the District of Columbia. The District's ratio, 38 cents in benefits for each dollar collected, is attributed largely to the contribution rate, estimated at less than 0.5 percent of taxable pay rolls, rather than a disproportionate amount of benefit payments. Since benefits first became payable 11 States, including the District, have disbursed less than one-fourth the amount collected. In 2 States, disbursements have been slightly more than 50 percent of collections.

Benefits for Total Unemployment

Among the selected data shown in table 4 is a State distribution of 1943 benefit checks for total unemployment, by amount. For the country as a whole, 57 percent of all weeks of total unemployment were compensated in amounts of \$15 or more (see also chart 1). Corresponding percentages for 1942 and 1940 were 44 and 27, respectively. Conversely, the proportion of checks for less than \$10 has declined from 44 percent in 1940 to 17 percent in 1943. Payments of \$15 or more ranged from 4.8 percent of all checks for total unemployment issued in North Carolina to 85 per-

Table 1.—Summary of unemployment compensation operations, September and January-September 1944

Item	September 1944			January-September 1944		
	Number or amount	Percentage change from—		Number or amount	Percentage change from—	
		August 1944	September 1943		January-September 1943	January-September 1942
Initial claims	66,725	+6.0	+7.0	\$1,142,621	-25.2	-79.4
Continued claims	345,425	-14.4	-11.0	\$4,264,865	-35.0	-85.8
Waiting-period	58,576	-19.1	-	2,761,972	-33.3	-83.5
Compensable	280,349	-13.4	-12.9	\$3,502,893	-35.4	-86.2
Weeks compensated	274,189	-12.5	-14.5	3,214,116	-38.1	-87.1
Total unemployment	245,908	-12.2	-13.8	2,900,478	-37.8	-87.4
Part-total unemployment ¹	7,466	+6.2	-16.5	93,115	-33.7	-86.6
Partial unemployment ²	16,218	-21.7	-20.4	198,845	-34.1	-85.2
Weekly average beneficiaries	63,278	-12.5	-15.2			
Gross benefits paid	\$4,246,542	-11.7	-4.2	\$48,654,222	-29.2	-84.1
Benefits paid since first payable ³	\$2,160,087,920					
Funds available as of Sept. 30	\$5,739,353,844	+4	+31.5			

¹ Based on data for 50 States.

² Excludes Alaska for August; data not reported.

³ Excludes New York because data not reported, and Montana and Pennsylvania, which have no

provisions for partial and part-total unemployment.

⁴ Based on 46 States reporting comparable data.

⁵ Adjusted for voided benefit checks.

cent in Nevada, and averaged more than 50 percent in 27 States.

The statutory maximum weekly benefit amount for total unemployment is \$15 in 22 States, \$16 in 4 States, \$18 in 14 States, \$20 in 10 States, and \$22 in 1 State. Four States provide for a minimum of \$10, but the statutory minimum in 29 of the States is \$5 or less, and as low as \$2 in 2 States and 50 cents in another. During 1943, 18 of the 22 States with a statutory weekly maximum of \$15 issued more than 30 percent of their checks for total unemployment at this maximum. Payments of less than \$5 per week of total unemployment, made in 14 States, amounted to less than 10 percent of all payments in 9 States and only 1.2 percent of all throughout the Nation.

The average weekly benefit check for total unemployment was \$13.84 in 1943 and \$15.95 during July-September 1944. Among the States, the third-quarter average ranged from \$9.09 in North Carolina to \$19.25 in Connecticut. In 8 States the average was more than \$17 a week and, at the other extreme, less than \$10 in 3 States. In 34 States the average ranged between \$10 and \$15.

Amendments to State Unemployment Compensation Laws, 1944

All 8 States holding regular legislative sessions this year—Kentucky, Louisiana, Mississippi, New Jersey, New York, Rhode Island, South Carolina, and Virginia—enacted changes in their unemployment compensation laws. Two of these 8 also held special sessions, as did 30 others. Most special sessions are limited to consideration of subjects specified in the Governor's proclamation convening the legislature. Two of the 30 States—Arizona and Michigan—enacted unemployment compensation legislation.

Major emphasis was placed on military service and disqualification provisions. While some changes were made in coverage, financing, eligibility, and benefit provisions, these changes were for the most part minor and not indicative of any general trends.

Benefits for workers unemployed after military service.—Louisiana for the first time adopted provisions for freezing wage credits during military service; Arizona, whose former freezing provisions, enacted in 1941, be-

came inoperative April 1, 1943, adopted revised provisions effective March 17, 1944, and continuing until 2 years after the war. Six other States—Michigan, Mississippi, New Jersey, New York, Rhode Island, and

Table 2.—Initial and continued claims received in local offices, by State, September 1944

[Data reported by State agencies,¹ corrected to Oct. 25, 1944]

Social Security Board region and State	Initial claims			Continued claims		
	Total ²	Percentage change from—		New	Total ³	Percentage change from—
		August 1944	September 1943			
Total	96,725	+6.0	+7.0		348,425	+14.4
Region I:				New		-11.0
Connecticut	3,215	-21.4	+119.3	2,518	10,137	+10.9
Maine	968	+20.2	+28.6	558	2,315	-10.0
Massachusetts	6,111	+27.9	+43.8	4,014	15,331	+23.7
New Hampshire	310	-19.5	-47.1	202	1,165	-8.0
Rhode Island	1,536	-11.2	-14.0	1,169	6,424	-30.8
Vermont	70	+25.4	+17.7	67	449	-30.8
Region II-III:						
Delaware	106	-20.3	+32.5	91	295	-6.3
New Jersey	7,614	+16.3	+17.5	5,232	21,228	-4.5
New York	16,354	-3.6	-21.7	8,780	58,825	-19.0
Pennsylvania ⁴	6,225	-20.0	+59.9	6,225	24,323	-32.2
Region IV:						
District of Columbia	262	+11.0	-35.0	232	1,626	-10.9
Maryland ⁵	435	-20.3	-48.6	435	2,612	-21.4
North Carolina	1,100	+10.8	-2.4	958	4,202	-5.3
Virginia	342	+23.5	+44.7	255	1,418	-49.2
West Virginia	886	-18.0	-36.4	717	3,949	-25.0
Region V:						
Kentucky	1,112	-16.3	-21.3	881	6,283	-6.9
Michigan	10,844	+44.4	+299.3	8,659	27,709	+27.1
Ohio ⁶	1,851	-23.0	-6	1,851	5,340	-7.8
Region VI:						
Illinois	11,991	-26.4	-12.7	9,988	35,669	-20.7
Indiana ⁷	1,224	+23.4	-9.7	1,224	4,827	+1.6
Wisconsin	613	-64.4	-37.6	(?)	5,357	+3.0
Region VII:						
Alabama	1,177	+1	+5.7	1,034	5,887	+2.5
Florida ⁸	1,127	-21.2	-16.0	1,127	6,940	-7.1
Georgia	755	+2.7	-5.0	623	3,260	+6.9
Mississippi	466	+27.3	-12.7	421	1,734	-23.7
South Carolina	834	-38.9	-19.4	751	3,267	-9.8
Tennessee	1,727	-21.9	-5.2	1,382	12,549	-13.5
Region VIII:						
Iowa	268	-48.9	-14.1	199	1,542	-41.3
Minnesota	274	-11.6	-54.5	155	1,175	-40.4
Nebraska	75	-23.5	-52.5	52	406	-44.2
North Dakota	5	(?)	(?)	4	55	-63.6
South Dakota	40	(?)	(?)	40	210	-42.5
Region IX:						
Arkansas	564	-15.3	-42.9	530	3,257	-8.0
Kansas	385	-11.5	-44.7	301	1,771	-21.1
Missouri	2,180	-2.1	-22.1	1,739	7,773	-29.1
Oklahoma	579	-3.7	-42.2	496	2,402	-9.6
Region X:						
Louisiana	846	-22.4	-31.2	707	4,364	-22.7
New Mexico	33	(?)	(?)	33	185	-3.1
Texas	1,356	-19.5	-25.0	(?)	8,314	-10.7
Region XI:						
Colorado	162	-23.9	-49.1	151	746	-48.6
Idaho	47	(?)	(?)	29	335	-32.9
Montana	73	+10.6	(?)	47	471	-13.1
Utah	112	-44.8	(?)	90	808	-32.4
Wyoming	7	(?)	(?)	6	29	(?)
Region XII:						
Arizona	159	-22.8	+12.8	130	684	-18.6
California	9,665	-6	+57.4	5,773	39,023	+1.4
Nevada	53	-36.1	(?)	40	277	-19.9
Oregon	157	-27.3	-18.2	125	462	-40.8
Washington	350	-15.7	+28.7	251	857	-17.9
Territories:						
Alaska	50	(10)	(8)	6	154	(10)
Hawaii	3	(?)	(8)	3	4	(?)

¹ Except claims taken by U. S. Employment Service personnel, which are reported by War Manpower Commission.

² Includes additional claims, except in Florida, Indiana, Maryland, Ohio, Pennsylvania.

³ Includes waiting-period claims.

⁴ Based on data for 50 States.

⁵ State procedures do not provide for filing additional claims.

⁶ Excludes all claims for partial unemployment.

⁷ Data not comparable.

⁸ Not computed, because fewer than 50 claims were reported in either or both periods.

⁹ Data not available.

¹⁰ August data not available.

Virginia—amended existing provisions. All State laws but Alaska's and New Mexico's now include provisions enacted to safeguard the rights of individuals in military service.

New York, while retaining its freezing provisions indefinitely, enacted automatic credit provisions effective

until June 3, 1945, which allow benefits up to a total of \$360 to military claimants who fulfill certain residence and other requirements, without regard to previous record of employment. The freezing provisions apply only when an individual is not eligible under the new provisions.

With New York's amendment, 5 States now extend some form of automatic credits to veterans, while 44 States preserve existing benefit rights only.

Mississippi extended from January 1, 1945, to January 1, 1947, the termination date of military service covered by its provisions. The other 14 States

Table 3.—Number of beneficiaries, number of weeks compensated, and amount of benefits paid, by State, September 1944

[Data reported by State agencies, corrected to Oct. 24, 1944]

Social Security Board region and State	Beneficiaries		Weeks compensated for specified types of unemployment				Benefits paid ¹			
	Average weekly number ²	Percentage change from—		All types	Total	Part-total ³	Partial ³	Amount	Percentage change from—	
		August 1944	September 1943						August 1944	September 1943
Total	63,278	-12.5	-15.2	274,180	248,908	7,466	16,218	\$4,246,542	-11.7	-4.2
Region I:										
Connecticut	1,686	-18.4	+270.5	7,304	6,832	215	257	135,825	-19.8	+330.2
Maine	382	-17.8	-6.8	1,655	1,144	36	475	18,353	-17.7	+4.8
Massachusetts	2,957	-29.9	+18.8	12,813	11,239	107	1,467	195,119	-29.9	+15.1
New Hampshire	174	+6.7	-68.1	752	564	0	188	7,852	+4.0	-66.6
Rhode Island	1,393	-20.1	-26.6	6,036	5,062	0	974	91,971	-20.4	-27.3
Vermont	73	-30.5	-38.1	315	303	3	9	4,029	-35.4	-35.3
Region II-III:										
Delaware	66	-4.3	+8.2	286	174	2	110	3,687	-9.0	+9.8
New Jersey	3,617	-15.9	-25.9	15,672	14,207	39	1,426	240,178	-14.9	-21.7
New York	11,203	-18.8	-28.3	48,547	46,950	(*)	(*)	784,935	-18.5	-24.7
Pennsylvania	3,579	-19.4	-26.1	15,507	15,507	(*)	(*)	236,362	-18.6	-21.6
Region IV:										
District of Columbia	350	-9.1	-39.0	1,516	1,460	48	8	26,410	-9.6	-33.3
Maryland	637	-25.1	-21.7	2,759	2,147	21	591	44,633	-20.6	-7.3
North Carolina	609	-8	-18.1	2,638	2,478	15	145	24,506	+4.2	-6.3
Virginia	321	-48.2	-71.7	1,390	1,233	58	99	14,774	-45.4	-72.8
West Virginia	597	-41.8	-58.1	2,585	1,995	0	590	37,080	-40.1	-60.8
Region V:										
Kentucky	1,004	+6.1	-26.1	4,352	3,956	356	40	43,377	+12.5	-17.6
Michigan	4,847	+7.9	+232.0	21,005	20,697	168	140	400,808	+8.7	+251.1
Ohio	779	-5.9	-41.9	3,374	3,164	100	110	46,841	-4.0	-33.2
Region VI:										
Illinois	7,416	-16.5	-18.9	32,134	25,703	3,048	3,203	519,457	-16.6	-3.3
Indiana	1,019	-1.5	-49.9	4,414	4,126	68	220	68,848	+2.5	-45.2
Wisconsin	908	+4.9	+20.1	4,325	3,520	386	419	56,914	+2.8	+24.2
Region VII:										
Alabama	1,139	+20.3	-43.2	4,934	4,865	64	5	57,040	+20.1	-34.7
Florida	1,216	+16.1	-12.5	5,270	4,996	226	48	65,157	+17.1	+2.6
Georgia	522	+19.7	-54.6	2,263	2,229	18	16	22,875	+20.1	-54.2
Mississippi	218	-9.0	-31.7	946	856	13	77	10,396	-3.0	-36.4
South Carolina	274	-5.8	-63.7	1,186	1,134	17	35	13,040	-7.9	-61.9
Tennessee	2,325	-11.4	-23.9	10,075	9,740	196	149	115,500	-10.3	-20.9
Region VIII:										
Iowa	258	-43.8	-45.8	1,120	1,028	89	3	13,036	-44.9	-30.8
Minnesota	203	-47.5	-62.1	878	758	70	50	11,349	-47.6	-60.3
Nebraska	63	-40.2	-68.5	274	223	5	46	2,914	-47.3	-70.6
North Dakota	3	(*)	(*)	15	7	1	7	139	-76.6	-27.2
South Dakota	9	(*)	(*)	41	32	6	3	382	-33.0	-70.5
Region IX:										
Arkansas	392	-7.3	-71.4	1,700	1,647	49	4	17,173	-0.0	-73.0
Kansas	315	-21.8	-70.9	1,365	1,283	65	17	17,348	-21.2	-69.8
Missouri	1,359	-24.4	-27.5	5,887	5,388	100	390	80,799	-28.0	-21.1
Oklahoma	245	+3.4	-57.7	1,062	915	78	69	14,459	-7.7	-58.4
Region X:										
Louisiana	702	-21.8	-35.5	3,041	2,930	55	56	42,460	-19.2	-30.9
New Mexico	11	(*)	(*)	47	47	0	0	531	+21.0	-46.3
Texas	830	+6.3	-22.6	3,508	3,416	182	0	39,001	+5.8	-17.4
Region XI:										
Colorado	127	-41.5	-17.5	550	530	23	7	7,206	-40.4	-20.5
Idaho	62	0	-32.6	269	260	9	0	3,022	+4.7	+6.9
Montana	72	-15.3	+33.3	310	310	(*)	(*)	3,674	-16.4	+52.8
Utah	190	-18.8	+131.7	821	768	32	22	15,421	-19.3	+147.8
Wyoming	3	(*)	(*)	13	5	1	7	132	-38.0	(*)
Region XII:										
Arizona	91	-5.2	+82.0	395	371	24	0	5,579	-2.9	+109.5
California	8,577	+7.9	+84.0	37,169	31,334	1,414	4,421	655,761	+8.3	+103.1
Nevada	89	(*)	(*)	168	151	12	5	2,387	+10.8	-19.2
Oregon	97	-24.8	+51.6	419	323	15	81	5,496	-21.8	+99.3
Washington	207	-36.1	+55.6	995	725	41	129	11,722	-27.0	+58.0
Territories:										
Alaska	22	(*)	(*)	96	95	1	0	1,327	+43.8	+60.3
Hawaii	(*)	(*)	(*)	2	1	0	1	17	-91.9	-99.0

¹ Computed by dividing all weeks compensated during the month by 4 1/4.

² Benefits for partial and part-total unemployment are not provided by State law in Montana and Pennsylvania. New York data not available.

³ Not adjusted for voided benefit checks.

⁴ Not computed, because fewer than 50 beneficiaries were reported in either or both periods.

⁵ No benefits paid in September 1943.

⁶ Only 2 weeks compensated during entire month.

with a fixed termination date still specify some time in 1945.

Mississippi and Virginia, which had not previously specified conditions in connection with termination of service, added an honorable discharge requirement. Ten States now have this requirement. Four States, including the three which enacted such provisions this year—Arizona, Louisiana, and New York—specify discharge other than dishonorable.

Michigan modified for military claimants its regular requirement that a claimant must be able to work and available for work. Several States modified their provisions governing receipt of other payments. Mississippi's amendment specified that disqualification for receipt of unemployment compensation under another State or Federal law should not apply to Federal unemployment compensation or allowances for honorably discharged members of the armed forces. Virginia repealed the provision exempting other State or Federal unemployment compensation payments. New York, in connection

with the new automatic credit provisions, disqualified a claimant for receipt of other unemployment compensation payments if he was entitled to them by reason of his previous record of employment. Both New York and Rhode Island specified that an individual would not be disqualified for receipt of mustering-out pay. The Rhode Island amendment also specified that there shall be no disqualification for Federal disability payments. New York disqualifies for receipt of total disability payments, but payments for partial disability may be deducted from benefits.

The relation of the State system to a Federal unemployment allowance system was considered by nearly all the States with 1944 amendments. With the addition this year of Arizona, Louisiana, New York, and Virginia, six States provide that State benefits may become inoperative if a Federal system for veterans is enacted; in Arizona, however, the provision applies only if the Federal allowance is equal to or greater than the State allowance. Mississippi and New Jersey

added provisions for reciprocal arrangements with Federal agencies for exchanging facilities and services; five States now provide for such cooperation.

Disqualifications from benefits.—Three States—Louisiana, Mississippi, and Virginia—amended their disqualification provisions, mainly in the direction of greater severity. Mississippi increased the maximum number of weeks of disqualification for voluntary leaving without good cause, discharge for misconduct, and refusal of suitable work; for misrepresentation to obtain benefits, the maximum weeks were increased and the reduction of benefit duration was made mandatory instead of optional.

Virginia limited good cause for leaving to cause involving fault on the part of the employer, stipulated that weeks of disqualification for refusal of suitable work are to follow any weeks of disqualification for voluntary quit or discharge for misconduct, and provided for mandatory reduction of benefit duration for voluntary quit, discharge for misconduct, and labor

Chart 1.—Percent of weeks of total unemployment compensated by weekly benefits of \$15 or more, 1943

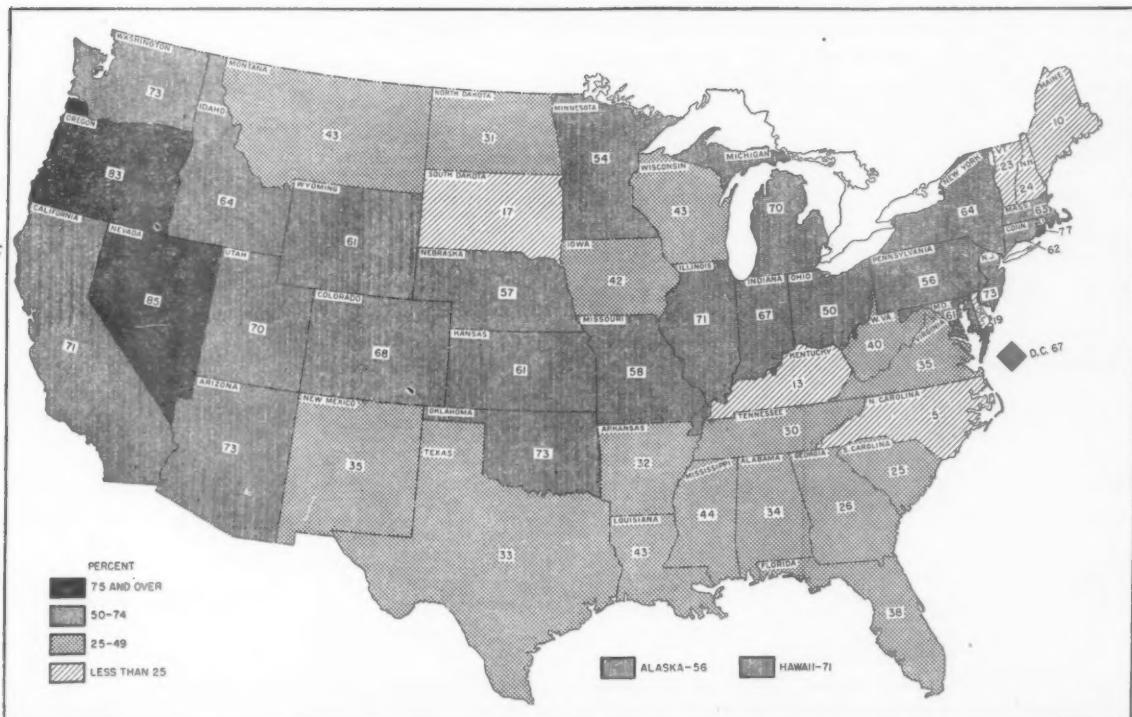


Table 4.—Selected unemployment compensation data

[Corrected to Oct. 25, 1944]

State	Minimum size-of-firm coverage ¹	Coverage			Benefits		
		Workers with wage credits in 1939 (in thousands)	Date benefits first payable	Eligibility requirement ^{2 3} (minimum earnings or multiple of weekly benefit amount)	Weekly benefit amount		
					Fraction of highest quarterly earnings or type of schedule	Minimum	Maximum
All States		744,800					
Alabama	8	755	January 1938	\$60(30x, including \$39.01 in 1 quarter).....	1/26	\$2	\$15
Alaska	8	37	January 1939	\$125 (25x).....	1/20	5	16
Arizona	3	206	January 1938	\$70 (14x) ⁴	1/26 ¹²	0	15
Arkansas	1 in 10 days	383	January 1939	\$66 (22x).....	1/26	3	15
California	4	3,887	January 1938	\$300.....	1/20	10	20
Colorado	8	347	January 1939	\$150 (30x).....	1/25 ¹²	5	15
Connecticut	4 in 13 weeks	1,027	January 1938	\$144.....	1/26 ¹⁴	6	18
Delaware	1	161	January 1939	\$200.....	1/25	5	18
District of Columbia	1 at any time	317	January 1938	\$150 (25x) ¹⁶	1/23	6	20
Florida	8 or \$5,000 in calendar quarter	720	January 1939	\$150 (30x, including wages in 2 quarters).....	Quarterly earnings	5	15
Georgia	8	891	do	\$100 (table: 25x, 30x, and 40x, including wages in 2 quarters and at least \$48 in 1 quarter).....	Quarterly earnings	4	18
Hawaii	1 at any time	168	do	\$150 (30x, including wages in 2 quarters).....	1/25	5	20
Idaho	1 at any time and \$78 in 1 quarter	136	September 1938	\$140 (table: 28-52x, including wages in 2 quarters, and at least \$78 in 1 quarter).....	Quarterly earnings	5	18
Illinois	6	3,532	July 1939	\$225.....	1/20	7	20
Indiana	8	1,404	April 1938	\$250 and \$150 in last 2 quarters.....	1/25	5	18
Iowa	8 in 15 weeks	522	July 1938	(15x).....	1/26 ¹²	5	15
Kansas	8	505	January 1939	\$200 or \$100 in 2 quarters.....	1/25	5	15
Kentucky	8 or \$50 to each of 4 workers during each of 3 quarters	559	do	\$200.....	Annual earnings	5	16
Louisiana	4	778	January 1938	\$60 (20x) ²²	1/20 ^{12 23}	3	18
Maine	8	201	do	\$144.....	Annual earnings	6	18
Maryland	4	938	do	\$210 (30x, including wages in 2 quarters).....	1/20	7	20
Massachusetts	1	1,912	do	\$150.....	1/20	6	18
Michigan	8	2,266	July 1938	\$250 (including wages in 2 quarters).....	1/20	10	20
Minnesota	1 ²⁴	740	January 1938	\$200.....	Annual earnings	7	20
Mississippi	8	355	April 1938	\$60 (30x).....	1/20	3	15
Missouri	8	1,231	January 1939	\$20 (40x, including wages in 3 quarters). ²⁵	1/25	3	18
Montana	1 or in excess of \$500 in 1 year	133	July 1939	\$160.....	1/25	5	15
Nebraska	8	289	January 1939	\$200.....	1/25	5	15
Nevada	1 at any time and \$225 in 1 quarter	81	do	\$200 ²⁷	1/20	5	15
New Hampshire	4	168	January 1938	\$200.....	Annual earnings	6	18
New Jersey	8	1,934	January 1939	\$150.....	1/22	7	18
New Mexico	2 in 13 weeks or \$450 in 1 quarter	133	December 1938	\$150 (30x, including wages in 2 quarters and at least \$78 in 1 quarter).....	1/26	5	15
New York ²⁶	4 in 15 days	5,881	January 1938	\$250 (25x, including wages in 2 quarters and at least \$100 in 1 quarter). ²⁹	1/23	10	18
North Carolina	8	1,027	do	\$130.....	Annual earnings	3	15
North Dakota	8	65	January 1939	\$150 (30x, including wages in 2 quarters).....	1/26	5	15
Ohio	3 at any one time	3,165	do	\$160 and 20 weeks employment.....	Quarterly earnings	5	16
Oklahoma	8	519	December 1938	\$132 (22x).....	1/20	6	16
Oregon	4 on 1 day and \$500 in same quarter	565	January 1938	\$200 ²⁸	6%	10	15
Pennsylvania	1	4,193	do	\$100 (\$50 in each of 2 quarters).....	1/25	8	18
Rhode Island	4	375	do	\$100.....	Quarterly earnings	6.75	18
South Carolina	8	470	July 1938	\$120 (30x; 40x for all amounts above minimum, including wages in 2 quarters).....	1/26	4	15
South Dakota	8	74	January 1939	\$126.....	Annual earnings	7	15
Tennessee	8	866	January 1938	\$125 (25x; 30x for all amounts above minimum, including wages in 2 quarters and at least \$50 in 1 quarter).....	1/26 ¹²	5	15
Texas	8	1,874	do	\$80 (16x).....	1/26	5	15
Utah	1 at any time and \$140 in calendar quarter	228	do	\$150 (30x).....	1/20	5	20
Vermont	8	111	do	\$180 (30x, including wages in 2 quarters and at least \$80 in 1 quarter).....	Quarterly earnings	6	15
Virginia	8	870	do	\$100 (25x).....	1/25	4	15
Washington	1 at any time	812	January 1939	\$200.....	1/20	7	15
West Virginia	8	519	January 1938	\$250.....	Annual earnings	7	18
Wisconsin	8 in 18 weeks, subject as of first of current year; 6 in 18 weeks, subject as of first of following year; or in excess of \$10,000 in calendar quarter. ³⁰	1,004	July 1936	14 weeks employment.....	Average weekly earnings	5.8	20
Wyoming	1 and \$150 in 1 quarter	75	January 1939	\$175 (25x, including \$70 in 1 quarter).....	1/20	7	20

See footnotes on page 46.

Table 4.—Selected unemployment compensation data—Continued

[Corrected to Oct. 25, 1944]

Benefits—Continued								Financing			State	
Percent of weeks compensated for total unemployment during 1943 ^a in amounts of—				Average weekly benefit amount for total unemployment		Maximum duration (full weeks of benefits): U = uniform for all eligible workers, otherwise variable	Average actual duration, claimants exhausting rights, benefit years ended in 1943	Experience rating ^b		Funds available as of Sept. 30, 1944 ^c (in thousands)		
Less than \$5.00	\$5.00– 9.99	\$10.00– 14.99	\$15.00 or more	1943	July–September 1944			Estimated average employer contribution rate, 1944 ^d (42 States)	Percentage of rated employers with reduced rates, 1944 ^e (42 States)	Percentage of rated employers with rates of less than 1 percent 1944 ^f (27 States)		
1.2	15.9	25.8	57.1	\$13.84	\$15.95						\$5,739,354	
5.0	31.6	29.3	34.1	10.90	11.04	20	17.0	1.0	99.2	78.1	57,033	
	18.3	25.6	56.1	13.15	13.85	16	(10)	(11)	(11)	(11)	6,262	
	10.3	17.2	72.5	13.50	14.35	14	12.8.5	2.1	71.5	—	15,571	
13.1	33.5	21.8	31.6	10.01	10.50	16	9.7	2.0	79.8	—	23,515	
	28.9	71.1	15.86	18.43	23%	16	16.5	2.1	50.8	—	581,052	
	15.2	17.3	67.5	13.08	13.18	16	10.1	1.8	81.7	55.2	29,044	
	11.8	26.0	62.2	15.87	19.25	15	11.8	2.1	84.8	—	147,517	
	61.2	19.6	19.2	9.57	14.00	20	11.2	.7	98.6	89.5	13,518	
	9.3	23.6	67.1	15.56	17.49	20	18.1	1.4	91.6	88.8	41,111	
	29.3	32.4	39.3	11.62	12.49	16	10.8	2.1	84.5	—	43,477	
11.0	43.5	19.9	25.6	10.12	10.13	U16	17.5.7	2.0	86.5	—	64,708	
	12.2	17.3	70.5	10.47	18.96	U20	20.0	1.4	97.8	68.8	15,624	
	15.9	20.3	63.8	14.17	11.28	17	11.7	1.6	97.6	—	11,840	
	7.9	21.4	70.7	15.60	17.89	18	15.4	1.2	83.8	42.3	444,433	
	8.7	24.1	67.2	14.20	15.74	18	10.7	1.8	82.8	57.5	153,054	
.4	34.0	23.8	41.8	10.54	12.09	15	7.8	1.7	82.6	54.6	49,682	
	17.8	21.3	60.9	12.66	13.07	16	12.9	2.1	83.8	48.0	43,482	
	57.4	29.4	13.2	9.31	9.84	U20	16.0	2.0	77.1	21.2	74,090	
4.4	32.0	20.9	42.7	12.08	13.92	20	10.6	(11)	(11)	(11)	60,655	
	68.3	21.5	10.2	9.09	11.50	U16	14.7	2.3	71.9	—	29,638	
	13.8	25.3	60.9	14.89	17.87	23	11.1	1.6	92.4	72.8	104,122	
	10.9	25.0	63.2	13.94	16.23	20	15.3	.9	90.1	60.0	103,583	
	1.5	27.5	70.4	16.77	19.18	20	14.2	1.2	94.5	—	247,499	
	14.4	31.4	54.2	13.02	13.86	16	10.7	1.6	77.1	46.0	68,291	
4.9	30.2	21.1	43.8	11.43	11.10	U14	14.0	(11)	(11)	(11)	19,297	
2.1	18.3	21.7	57.9	13.82	14.92	16	12.1	1.6	84.6	60.5	132,398	
	31.2	25.7	43.1	11.72	11.87	U16	10.0	(11)	(11)	(11)	14,038	
	19.2	23.6	57.2	12.49	11.44	16	12.7	1.8	84.4	55.2	21,666	
	2.8	12.3	84.9	14.42	14.73	18	13.9	(11)	(11)	(11)	8,296	
	37.4	38.7	23.9	10.93	11.47	18	15.2	1.8	76.2	19.6	18,646	
	8.3	19.1	72.6	15.23	16.47	18	10.1	1.9	75.3	44.8	374,365	
12.0	31.6	21.1	35.3	10.49	11.40	16	14.0	2.0	72.7	41.8	8,001	
	26.7	29.4	63.9	14.68	16.40	U20	20.0	(11)	(11)	(11)	783,758	
23.2	57.0	15.0	4.8	7.10	9.09	U16	16.0	2.4	53.0	1.6	85,881	
	45.1	23.4	31.5	10.40	11.57	U16	16.0	1.7	82.8	—	4,289	
(11)	16.1	34.0	49.9	12.89	14.35	U18	17.6.3	1.5	95.9	41.7	403,476	
	11.1	15.9	73.0	14.17	14.58	16	12.6	1.4	91.4	44.6	40,278	
(11)	23.3	16.0	82.7	13.70	14.45	16	6.2	2.2	74.1	—	57,076	
	18.9	24.9	56.2	14.31	15.24	16	9.9	1.2	98.1	—	545,050	
	6.1	16.7	77.2	15.54	16.24	20%	10.1	(11)	(11)	(11)	59,458	
9.6	35.8	29.7	24.0	10.17	11.26	U16	17.5.6	1.8	83.2	49.2	33,249	
	60.9	21.8	17.3	9.54	9.29	U16	10.6	1.9	72.3	68.3	5,702	
	39.7	30.2	30.1	10.83	11.44	U16	16.0	2.6	53.0	—	64,429	
	43.2	24.1	32.7	10.11	11.05	U20	8.3	1.2	97.8	77.7	131,501	
	14.3	15.9	69.8	16.43	19.00	20.0	(11)	(11)	(11)	(11)	20,657	
	31.9	45.0	23.1	11.11	12.12	U18	13.3	2.0	77.5	—	10,349	
5.5	36.4	23.5	34.6	10.71	10.19	16	12.7	1.2	98.3	—	55,124	
	7.5	19.9	72.6	13.77	12.40	16	11.0	(11)	(11)	(11)	115,415	
	34.2	25.7	40.1	14.25	14.11	U16	16.0	1.7	91.3	49.4	58,897	
	15.0	41.6	43.4	13.34	13.87	20	10.0	1.8	66.8	31.1	142,047	
	7.3	31.7	61.0	14.37	13.86	16	9.2	1.7	82.5	0	6,611	
	Wyoming.											

See footnotes on page 46.

dispute. Virginia is the only State reducing benefits in labor-dispute cases. The Virginia amendments also provided for refund of benefits paid an employee during his period of discharge if he receives back pay after reinstatement.

Louisiana specified that suitable-work tests are also used as tests of good cause for voluntary leaving and added temporary suspension for misconduct to the regular misconduct disqualification provision. Disqualification for receipt of unemployment compensation benefits under another State or Federal law was also amended to exclude Federal benefits intended as a supplement to State benefits.

Coverage.—Only three States—Louisiana, New York, and Virginia—amended coverage provisions and the changes were minor. Virginia changed its acquisition-of-assets provision to cover transfer of separate establishments of an employer. All three States changed election of coverage or termination provisions. New York was the only State to amend its employment-exclusion provisions. The amendment, dealing with coverage of maritime workers, also authorized reciprocal agreements with other States regarding coverage of such services if performed for one employer. There were no changes in size-of-firm provisions.

Contributions.—Four States—Louisiana, New York, New Jersey, and Virginia—made minor changes in contribution provisions this year. Virginia

deleted gratuities from the definition of wages, thereby reducing to 23 the number of States which consider gratuities as part of wages. New Jersey and New York amended the \$3,000-wage-exclusion provision. All four States made changes in the penalties imposed for past-due contributions and the provisions regarding adjustments or refunds of contributions. In most cases these changes were in the contributors' favor.

Experience rating.—With Louisiana's adoption of experience rating, 44 States now have experience-rating provisions. Kentucky, South Carolina, and Virginia amended their existing provisions in minor respects. South Carolina added a provision for voluntary contributions, effective April 15, 1944.

Eligibility for benefits.—Eligibility provisions were amended by Louisiana and Virginia. Louisiana reduced the waiting-period requirement from 2 weeks to 1 week. With this amendment, 33 States now require an initial waiting period of 1 week and 18 States an initial waiting period of 2 weeks.

Both States made changes in qualifying-wage provisions. Louisiana increased the qualifying wage, while Virginia lowered the requirements in some cases by providing that a claimant who fails to meet the qualifying-earnings requirement for his weekly benefit amount but does meet the qualifying-earnings requirement for the next lower weekly benefit amount is deemed to have qualified for the lower weekly

benefit and to be eligible for benefits. Four States now include the latter provision, or a similar one.

Benefits.—Five States—Arizona, Kentucky, Louisiana, Rhode Island, and Virginia—amended benefit provisions this year. Kentucky increased duration of benefits from 16 to 20 times the weekly benefit amount, and Louisiana changed from a full-time weekly wage formula to $\frac{1}{2}$ of high-quarter earnings. Only 2 States now use the full-time weekly wage in calculating the weekly benefit amount, while 11 States use the $\frac{1}{2}$ fraction. Rhode Island and Virginia changed the benefit-year period, retaining the same type of benefit year. Virginia repealed its provisions regarding part-time and seasonal workers, leaving 10 States with part-time and 22 with seasonal provisions.

Employment Service Operations*

Labor-Market Developments

The September civilian labor force of 53 million persons reflected the usual seasonal decline as students left their vacation jobs and returned to school. The decrease in male work-

*Data from Reports and Analysis Service, War Manpower Commission, and from published releases of other Government agencies.

Footnotes to table 4.

- ¹ Requires employment of specified minimum number of workers in at least 20 weeks except where otherwise stated.
- ² The dollar amount represents the minimum earnings requirement; where the wage qualification is a multiple of the weekly benefit rate, the multiple is shown in parentheses.
- ³ The qualifying wages must have been earned in a 1-year base period in all States except the following: Arizona, extensible base period; qualifying wages must have been earned in first 3 of last 4 completed calendar quarters preceding first day of benefit year; Missouri, 2-year base period; Oregon, 1-year base period, which may be extended by not more than 4 quarters if individual has been incapable of work.
- ⁴ Excludes payments for less than full benefit rate.
- ⁵ Does not include effect of "war-risk" provisions of State law, operative during 1944 in Alabama, Florida, Illinois, Iowa, Maryland, Minnesota, Missouri, Ohio, Oklahoma, and Wisconsin.
- ⁶ Except where otherwise noted. Percentage columns relate to experience-rating years beginning in 1944.
- ⁷ Adjusted for duplication arising from employment of individuals in more than 1 State.
- ⁸ Includes estimates for Alaska, Iowa, and New York.
- ⁹ Law provides for maximum contribution rate of 2.7 percent.
- ¹⁰ Data not available.
- ¹¹ Experience rating not in effect in 1944; contribution rate is 2.7 percent.
- ¹² Or 50 percent of full-time weekly wage.
- ¹³ Not strictly comparable. State law provides for lag-quarter redetermination.
- ¹⁴ Higher fraction for weekly benefit amounts of \$6.00 and \$6.50.
- ¹⁵ Varies according to size of fund.
- ¹⁶ Maximum \$250.
- ¹⁷ Includes disqualifications.
- ¹⁸ Represents data for 1943; 1944 data not available.
- ¹⁹ For weekly benefit amounts of \$18.50-20.00, maximum duration is less (18 weeks for \$20 weekly benefit amount).

²⁰ Or full-time weekly wage, whichever is the lesser.

²¹ Related to operations under provisions which since have been liberalized.

²² Effective January 1, 1945, eligibility requirement is \$90 (30x), and fraction of highest quarterly earnings is 1/25, with no full-time weekly wage alternative.

²³ Benefit duration for lower wage classes is less.

²⁴ Or average weekly wage in high quarter, whichever is the lesser.

²⁵ But services for employers not subject to Federal unemployment tax and located outside the corporate limits of a city, village or borough of 10,000 population are excluded.

²⁶ Actually 50 cents, but paid at rate of \$3, resulting in shorter duration in such cases.

²⁷ Or twice the square of the weekly benefit amount, whichever is greater, and including earnings in either case of 5 times the weekly benefit amount in some quarter other than that of highest earnings.

²⁸ Day-base plan in effect since November 30, 1942, whereby benefits are paid for accumulations of 4 "effective days" of unemployment instead of weeks of unemployment.

²⁹ Benefits are paid for each accumulation of 4 "effective days." "Effective day" is defined as the fourth and every subsequent day of total unemployment in a week in which not more than \$24 is paid to the individual.

³⁰ Includes payments for "less than total" unemployment.

³¹ Less than 0.05 percent.

³² Represents benefit payments to 1938-41 seasonal claimants under provisions of old law.

³³ Rate is 1/20 and 1/25 for weekly benefit amounts of \$5 and \$6.

³⁴ State law provides for 2-week benefit period. Data have been adjusted for purposes of comparability with other States.

³⁵ Or where employer's records do not permit accurate count, if total annual pay roll is \$6,000 or more.

³⁶ Actually \$2, but paid at rate of \$8, resulting in shorter duration in such cases.

³⁷ Duration depends on continuity of unemployment and number of base-period employers.

Table 5.—State unemployment compensation funds available for benefits as of September 30, 1944, collections and interest, and benefits paid, July-September 1944, and cumulative through September 1944, by State

[Data reported by State agencies,¹ corrected to Nov. 8, 1944]

Social Security Board region and State	Funds available for benefits as of Sept. 30, 1944		Collections ² and interest ³				Benefits paid ⁴		
	Amount ⁵	Percentage change from June 30, 1944	Cumulative through September 1944 ⁶		July-September 1944		Cumulative through September 1944 ⁷	July-September 1944	
			Collections and interest	Collections	Collections	Percentage change from April-June 1944		Amount	Percentage change from April-June 1944
Total	\$5,730,353,844	+6.5	\$7,500,442,686	\$7,518,452,867	\$337,183,160	-2.4	\$2,160,087,920	\$13,285,338	-18.5
Region I:									
Connecticut	147,516,661	+6.2	177,395,742	168,272,153	8,424,235	-1.6	29,879,081	432,859	+43.8
Maine	29,638,075	+8.0	44,056,076	28,638,110	2,115,980	+4.1	14,417,994	60,193	-6
Massachusetts	193,583,007	+3.8	305,058,443	289,104,334	6,881,245	-7	11,475,431	691,858	+5.4
New Hampshire	18,645,850	+5.0	27,544,963	26,189,441	816,821	+2.9	8,899,109	22,035	-54.1
Rhode Island	59,458,083	+6.9	92,912,174	89,502,777	3,861,182	-1.2	33,454,093	311,789	-3.4
Vermont	10,349,338	+5.8	13,594,419	12,904,837	536,111	+5	3,245,085	17,557	-14.3
Region II-III:									
Delaware	13,517,772	+2.7	16,272,662	15,081,393	307,885	+1.0	2,754,894	11,702	-24.7
New Jersey	374,365,189	+6.8	446,419,771	421,235,828	22,782,371	-3	72,054,586	702,461	-23.9
New York	783,758,133	+8.4	1,209,163,151	1,024,040,933	50,810,477	-4.4	425,405,015	2,520,474	-7.5
Pennsylvania	345,050,144	+3.6	760,349,764	727,619,453	17,224,177	-7.3	215,299,626	695,353	+46.7
Region IV:									
District of Columbia	41,111,354	+1.2	50,529,964	46,921,928	374,482	-11.0	9,418,613	83,432	-43.9
Maryland	104,121,642	+7.0	136,924,639	131,397,375	6,512,659	-2.7	32,802,996	176,619	-31.5
North Carolina	85,881,430	+5.4	110,490,447	105,240,805	4,083,662	-27.7	24,609,200	68,221	-32.8
Virginia	55,124,395	+4.8	77,953,254	73,950,065	2,358,778	+1.6	22,828,859	83,416	-10.5
West Virginia	58,897,233	+5.6	85,896,352	82,096,277	3,038,553	+8.0	26,999,121	161,641	-10.6
Region V:									
Kentucky	74,089,815	+4.5	90,252,162	84,471,540	3,114,968	+7.5	16,161,345	124,613	-28.9
Michigan	247,498,693	+5.9	415,140,553	398,736,367	13,698,987	-2.8	167,641,863	1,102,588	-25.4
Ohio	403,476,211	+6.0	480,681,138	449,962,971	21,016,981	-14.6	77,204,930	160,936	-53.1
Region VI:									
Illinois	444,432,633	+5.1	596,788,586	551,869,169	21,361,052	+6.1	142,355,959	1,738,764	-8
Indiana	153,053,661	+6.5	208,545,793	198,598,444	8,859,547	-10.3	55,492,139	197,044	-46.5
Wisconsin	142,046,746	+8.4	170,676,637	159,721,676	10,466,540	+3.9	28,629,889	136,051	-54.2
Region VII:									
Alabama	57,032,902	+4.3	82,546,714	78,808,439	2,246,918	-38.6	25,513,816	134,675	+34.8
Florida	43,476,775	+9.2	64,815,830	62,248,604	3,614,795	-3	21,339,057	165,882	+63.7
Georgia	64,707,875	+6.6	81,129,466	76,631,963	3,766,273	+6	16,421,592	60,160	-23.7
Mississippi	19,296,629	+8.9	28,138,193	27,072,229	1,515,881	+7.3	8,841,567	32,237	-13.5
South Carolina	32,248,652	+5.8	41,781,772	39,407,808	1,663,737	+0.4	9,533,122	40,440	-39.1
Tennessee	64,428,877	+10.1	94,850,279	91,386,970	5,908,630	+3.7	30,421,397	348,054	-3.3
Region VIII:									
Iowa	49,682,198	+7.3	66,843,074	63,440,707	3,198,263	+10.6	17,160,873	57,301	-15.7
Minnesota	60,291,158	+8.5	109,315,411	104,731,784	5,154,155	+7	40,024,254	54,806	-68.8
Nebraska	21,665,728	+6.1	27,404,707	25,757,810	1,161,546	+6.4	5,738,985	15,109	-53.8
North Dakota	4,288,823	+4.9	6,380,547	6,003,036	183,520	+1.7	2,091,726	1,310	-62.0
South Dakota	5,701,751	+2.7	7,083,388	6,549,276	126,865	+6.4	1,381,640	1,488	-76.5
Region IX:									
Arkansas	23,515,010	+5.8	32,106,844	30,604,332	1,232,003	-3.6	8,591,635	44,710	+22.2
Kansas	43,481,668	+7.5	52,649,010	49,828,601	2,908,367	-10.6	9,167,145	67,306	-58.0
Missouri	132,398,075	+0.3	162,338,171	151,957,520	7,522,626	+10.4	29,940,098	326,939	-42.9
Oklahoma	40,278,114	+5.1	54,590,003	51,395,104	1,803,770	-1.2	14,311,895	46,512	-56.3
Region X:									
Louisiana	60,654,690	+9.2	91,236,975	87,556,867	4,968,017	+1.6	30,582,288	138,579	-6.6
New Mexico	8,001,431	+6.3	11,770,471	11,201,049	438,908	+2.0	3,769,043	1,472	-49.9
Texas	131,501,375	+5.7	172,259,552	162,223,721	6,540,406	+7.3	40,735,180	102,960	-12.3
Region XI:									
Colorado	20,043,517	+4.8	40,012,374	37,821,995	1,223,823	+2.6	10,968,856	32,427	-24.0
Idaho	11,839,894	+7.1	18,865,326	18,196,227	734,903	+4.5	7,055,430	8,506	-57.1
Montana	14,637,743	+7.0	22,515,436	21,466,849	899,985	+2.7	7,877,662	12,389	-63.5
Utah	20,656,858	+7.0	29,191,623	28,132,900	1,305,757	-7.7	8,634,770	41,734	-5.4
Wyoming	6,611,142	+6.4	10,001,718	9,524,444	309,294	-4.9	3,390,582	362	-27.0
Region XII:									
Arizona	15,570,856	+7.1	21,796,201	20,952,267	974,516	+1.9	6,225,343	16,157	-42.6
California	581,052,304	+8.5	812,226,281	777,604,906	44,530,001	+5	231,183,977	1,868,630	-34.2
Nevada	8,295,510	+6.0	11,302,188	10,992,306	500,273	-3.7	3,096,677	6,539	-30.1
Oregon	57,075,662	+8.6	75,825,184	72,975,521	4,271,981	+4.2	18,740,526	27,164	-42.4
Washington	115,415,468	+9.7	139,540,869	135,701,235	9,745,622	+3.0	24,125,411	46,977	-25.0
Territories:									
Alaska	6,262,421	+10.1	7,629,189	7,340,132	549,906	-13.6	1,366,768	3,142	-68.9
Hawaii	15,624,483	+3.6	16,539,200	15,352,300	467,435	+10.7	914,727	566	-71.8

¹ Except interest, which is credited and reported by Treasury.

² Represents sum of balances at end of month in State clearing account and benefit-payment account, and in State unemployment trust fund account in Treasury (excluding amounts transferred to railroad unemployment insurance account).

³ Collections represent contributions, penalties, and interest from employers and contributions from employees. Adjusted for refunds and for dishonored contribution checks. Current contribution rates: for employees, 2.7 percent except in Michigan, whose rate is 3.0 percent; for employers, 1.0 percent in Alabama, California, and New Jersey, and 0.5 percent in Rhode Island. Experience rating, operative in 41 States, modifies above rates.

All States collect contributions either wholly or in part on quarterly basis.

⁴ Interest represents earnings of funds in State accounts in unemployment trust fund and is credited at end of each quarter.

⁵ Includes \$40,561,886 refunded in 1938 by Federal Government to 15 States, collected on pay rolls for 1936 under title IX of Social Security Act. Excludes contributions through June 30, 1939, on wages earned by workers now subject to Railroad Unemployment Insurance Act.

⁶ Adjusted for voided benefit checks.

⁷ Includes benefits paid through June 30, 1939, to workers now subject to Railroad Unemployment Insurance Act.

ers from July to September, however, was less than in the comparable period of 1943—1.3 million compared with 1.7 million—indicating the tendency of boys to keep their summer jobs after the school year begins as well as their entry into the armed forces.

The number of women remained the same as in August and was 230,000 more than in September 1943.

Nonagricultural employment decreased about 1 million from August, and agricultural employment increased 100,000. The number of farm

workers included 310,000 more women but 210,000 fewer men.

There were 60,000 fewer unemployed workers than in August—30,000 men and 30,000 women—making a total of only 780,000 unemployed,

(Continued on page 64)

Table 6.—Ratio of benefits¹ to collections,² by State and specified period through September 1944

[Based on data reported by State agencies,³ corrected to Oct. 27, 1944]

Social Security Board region and State	Ratio (percent) of—			
	Benefits to collections January–September 1944	Benefits to collections October 1943–September 1944	Benefits to collections since benefits first payable	Total benefits to cumulative collections and interest
Total ⁴	4.8	4.4	433.3	27.3
Region I:				
Connecticut	4.1	3.4	19.5	16.8
Maine	4.0	3.9	37.0	32.7
Massachusetts	0.9	8.8	45.0	36.5
New Hampshire	5.3	5.5	40.5	32.3
Rhode Island	8.4	7.7	40.9	36.0
Vermont	3.3	3.1	28.2	23.9
Region II–III:				
Delaware	5.0	4.4	24.5	16.9
New Jersey	4.8	4.7	20.2	16.1
New York	4.8	4.7	39.9	35.2
Pennsylvania	2.9	2.5	32.7	28.3
Region IV:				
District of Columbia	38.0	35.3	22.9	18.6
Maryland	3.2	3.0	26.8	24.0
North Carolina	2.0	1.9	25.6	22.3
Virginia	4.0	4.2	34.8	29.3
West Virginia	6.5	6.5	37.5	31.4
Region V:				
Kentucky	6.0	5.9	24.5	17.9
Michigan	9.6	7.5	49.8	40.4
Ohio	1.5	1.4	21.8	16.1
Region VI:				
Illinois	9.2	8.5	35.5	24.3
Indiana	5.1	4.8	32.3	26.6
Wisconsin	3.6	3.0	20.7	16.8
Region VII:				
Alabama	4.2	4.7	36.4	30.9
Florida	3.6	4.1	40.6	32.9
Georgia	2.5	2.7	26.8	20.2
Mississippi	2.9	3.0	36.5	31.4
South Carolina	4.5	5.1	28.7	22.8
Tennessee	6.2	6.5	36.3	32.1
Region VIII:				
Iowa	2.6	2.3	32.0	25.7
Minnesota	3.3	2.8	43.1	36.6
Nebraska	2.0	2.6	30.5	29.9
North Dakota	2.2	1.8	50.6	32.8
South Dakota	4.9	4.2	29.9	19.5
Region IX:				
Arkansas	4.3	5.4	33.8	26.8
Kansas	4.9	4.9	23.0	17.4
Missouri	6.5	6.0	25.3	18.4
Oklahoma	5.5	5.1	36.7	26.2
Region X:				
Louisiana	3.2	3.1	38.2	33.5
New Mexico	.7	.6	42.9	32.0
Texas	1.8	1.7	28.5	25.7
Region XI:				
Colorado	3.2	2.7	37.7	27.4
Idaho	2.3	1.9	46.3	37.3
Montana	3.2	2.5	51.2	35.0
Utah	3.8	3.0	33.3	29.2
Wyoming	.3	.2	47.3	33.9
Region XII:				
Arizona	3.1	2.5	32.8	28.6
California	5.4	4.7	32.4	28.5
Nevada	1.7	1.6	32.6	27.2
Oregon	1.1	.9	27.9	24.7
Washington	.8	.7	21.0	17.3
Territories:				
Alaska	1.6	1.4	21.1	17.9
Hawaii	.5	.4	7.5	5.5

¹ Adjusted for voided benefit checks.

² See table 5, footnotes 3 and 6.

³ Except interest which is credited and reported by Treasury.

⁴ Excludes California for September; data not reported.

⁵ Ratio for Wisconsin based on benefits and collections since Jan. 1, 1938.

Table 7.—Nonagricultural placements, by State, September 1944

War Manpower Commission region and State	Total placements			Placements of—	
	Number	Percentage change from—			
		August 1944	September 1943		
Total	1,171,838	-6.9	+29.0	375,233	
Region I:				206,231	
Connecticut	12,087	-15.3	+23.4	4,374	
Maine	5,723	-10.6	+15.6	1,980	
Massachusetts	27,364	-1.1	+11.7	12,443	
New Hampshire	2,488	+2.1	-	1,377	
Rhode Island	6,440	-13.8	-26.6	3,664	
Vermont	1,409	-19.1	-3.7	458	
Region II:				11,026	
New York	102,655	-4.6	+18.1	38,026	
Region III:				29,157	
Delaware	1,847	-28.4	-48.2	767	
New Jersey	38,781	-3.2	+7.3	15,417	
Pennsylvania	69,668	+3.6	+65.5	23,170	
Region IV:				10,075	
District of Columbia	10,434	-4.3	+219.8	6,220	
Maryland	21,942	-13.7	+62.8	10,724	
North Carolina	29,253	-5.1	+23.3	10,180	
Virginia	26,530	-21.0	+161.0	9,267	
West Virginia	13,197	-7.4	+83.3	3,168	
Region V:				5,877	
Kentucky	15,352	-34.2	-23.2	4,711	
Michigan	35,156	-14.0	-3.0	8,426	
Ohio	72,608	-11.6	+7.7	24,700	
Region VI:				14,004	
Illinois	79,437	+4.1	+153.1	12,708	
Indiana	33,777	-7.0	-2.3	11,347	
Wisconsin	21,148	-5.5	+8.1	7,612	
Region VII:				1,328	
Alabama	22,242	-12.4	+25.0	7,965	
Florida	20,140	+1.3	+4	7,931	
Georgia	32,505	-12.3	+22.7	14,054	
Mississippi	11,980	-12.8	+16.6	5,362	
South Carolina	18,348	-5.0	+112.9	6,799	
Tennessee	25,730	-9.1	+52.6	7,422	
Region VIII:				4,913	
Iowa	16,466	-26.7	+17.0	6,981	
Minnesota	20,299	-21.8	+28.8	7,347	
Nebraska	6,259	-20.2	+33.9	1,901	
North Dakota	1,456	-20.0	+29.8	503	
South Dakota	1,497	-15.9	+1.6	656	
Region IX:				1,723	
Arkansas	11,391	-6.0	+55.1	3,244	
Kansas	12,827	-8.2	-10.2	4,509	
Missouri	31,995	+1	+23.9	8,537	
Oklahoma	14,913	-12.0	+79.4	3,424	
Region X:				5,555	
Louisiana	10,537	-18.0	+62.1	2,359	
New Mexico	3,304	-8.1	+81.5	689	
Texas	60,071	-16.3	+31.4	13,819	
Region XI:				15,592	
Colorado	9,791	-15.3	+22.7	2,239	
Idaho	4,364	+14.8	+34.4	1,230	
Montana	3,794	+2.4	+22.6	610	
Utah	6,800	-11.6	+34.0	2,536	
Wyoming	2,092	-7.3	-3.5	344	
Region XII:				55	
Arizona	7,204	+28.2	+11.9	2,495	
California	130,018	+5	+59.8	34,926	
Nevada	2,958	+6.1	-24.7	820	
Oregon	21,437	+17.8	+13.4	5,749	
Washington	34,124	+1.7	-18.2	10,143	

Railroad Unemployment Insurance and Employment Service*

Employment Service

More than 101,000 placements of workers in railroad jobs were verified during September, an increase of 4 percent from August and approximately 280 percent from September 1943. Special efforts to recruit servicemen and other temporary workers in the New York and Chicago regions more than offset placement declines of from 3 to 23 percent in the other regions. Referrals to employers and openings reported by employers were slightly more numerous, while the number of unfilled openings on employer orders active at the end of the month was reduced to 97,800.

To compensate for the flow of labor to the harvest field and schoolroom, recruitment efforts were intensified. Persons laid off from war plants, students available for part-time or week-end work, and farm workers whose crops had been harvested were sought and placed in railroad jobs. In the Southwest, where Indian men have long been a major source of labor, Indian women were recruited and placed as waitresses, kitchen and laundry helpers, and cleaners. Permission to use volunteers from the armed forces for handling Christmas mail was obtained, and recruitment of both servicemen and civilians for this work was begun. Nevertheless, labor shortages in some localities be-

*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 9.—Railroad unemployment insurance: Number of certifications, average payment, and average number of compensable days, benefit year 1944-45, by month¹

Type of certification and period	All certifications				Percent of certifications with specified days of unemployment ²			
	Number	Average payment	Average daily benefit	Average compensable days ³	Total	14 days	8-13 days	5-7 days
<i>Certifications for first registration period:</i>								
July 1944	219	\$21.28	\$3.31	6.44	100.0	82.2	17.8	-----
August	498	20.76	3.34	6.21	100.0	73.9	26.1	-----
September	310	21.45	3.41	6.29	100.0	74.8	25.2	-----
<i>Certifications for subsequent registration periods:</i>								
July 1944	7	25.46	2.62	9.71	100.0	71.4	28.6	0.0
August	859	30.11	3.31	9.10	100.0	76.6	19.3	4.1
September	1,150	28.72	3.22	8.92	100.0	74.9	19.6	5.5

¹ Data cover only certifications for unemployment in the current benefit year. All data are based on a complete tabulation.

² Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.

came more severe. The Board's field personnel, in their efforts to promote stabilization in railroad employment, continued to point out to employers certain personnel practices which appear to be hindering recruitment or retention of workers, and to suggest the adoption of such devices as exit interviews and training programs.

During September, 4,000 Mexican nationals entered the United States for railroad work and approximately 2,500 returned to Mexico. Contracts of about 36,000 workers remained in effect at the end of the month.

Unemployment Insurance

Unemployment insurance activities increased slightly from August. Although fewer applications for certificate of benefit rights were received in September than in the preceding month, for the first time since January 1942 there were more than in the corresponding month of the preceding year. Increases in the number of claims filed in the Cleveland, Minne-

apolis, and Dallas regions offset small decreases in the other six regions and brought the total claims load to a level somewhat higher than in August. The number of claims certified for payment in September—1,470—and the amount certified—\$40,100—were only 7 and 4 percent, respectively, below the figures for September 1943. In the July-September quarter of the current benefit year, railroad workers received \$96,600 in benefits as a result of 3,600 payments.

About one out of every five payments was for initial periods of unemployment experienced during the current benefit year. Compared with August, the average daily benefit rate and the average number of compensable days per period were higher for initial periods of unemployment and lower for subsequent periods, resulting in an average payment of 72 cents more for the former and \$1.39 less for the latter. Benefit accounts were opened for only 325 qualified railroad workers, 190 fewer than in August.

Table 8.—Railroad unemployment insurance: Placements, applications for certificate of benefit rights received, claims received, and benefit payments certified, by specified period, 1943-45

Period	1944-45					1943-44				
	Place- ments	Applica- tions ¹	Claims	Benefit payments ²		Place- ments	Applica- tions ¹	Claims	Benefit payments ²	
				Number	Amount				Number	Amount
July-September	283,142	1,897	4,994	3,614	\$96,619	92,054	2,170	6,076	4,354	\$111,416
July	84,855	854	1,330	772	19,872	29,276	1,024	2,034	1,213	29,123
August	97,156	572	1,813	1,373	36,680	36,090	697	2,006	1,565	40,342
September	101,131	471	1,851	1,469	40,068	26,688	449	2,036	1,576	41,951

¹ Includes applications for current and preceding benefit years.

² Net figures adjusted for underpayments and recovery of overpayments. Amounts are rounded to the nearest dollar and may not add up to totals shown.

Old-Age and Survivors Insurance

Under the Social Security Act

Monthly Benefits in Force and Payments Certified, September 1944

Monthly benefits were in force at the end of September for almost 1,055,000 beneficiaries at a monthly rate of more than \$19.3 million (table 1). The total number of benefits awarded during the month was 6 percent less than in August, although awards of widow's current and of parent's benefits increased slightly.

During the 6 months, April-September, the proportion of all benefits in force in conditional-payment status has remained at about 15 percent, widow's current, primary, and wife's benefits at 26, 18, and 15 percent respectively, and parent's and widow's, around 1.5 percent each. The proportion of child's benefits in conditional payment, however, increased from 9 percent in June to 10 percent in July and August and dropped to 9 percent in September as children left their vacation jobs and returned to school.

The average monthly benefit in force for all family groups except those of aged widows and of parents is gradually increasing. Comparison of the average family benefits at the end of September (table 2) with those at the end of December 1943 (see the October BULLETIN) shows an increase of as much as 40 cents a month for families consisting of a primary beneficiary and a child or children; 30 cents for those of a retired worker and his wife or a widow with 3 or more children; 10 cents for 1 or 2-child families; and 20 cents for each of the other family groups except those of 1 parent or aged widow, for which the average did not change. The percentage change over the 9-month period, however, is small—only about 1 percent—for almost every family group and there is no change in the ranking of the various groups, by size of average benefit. The lowest benefit is still that for the family with only 1 child entitled to a survivor benefit, and the largest, that for the widow with 3 or more children.

Almost \$17.1 million was certified for monthly benefit payments and nearly \$2.0 million for lump-sum death payments during September.

Table 2.—Estimated average family benefit in force, by type of family, September 30, 1944

[Estimates based on 20-percent sample]

Family classifications of entitled beneficiaries	Average family benefit
Retired worker families:	
Male primary only	\$23.80
Female primary only	19.20
Primary and wife	37.50
Primary and 1 child	34.80
Primary and 2 or more children	43.80
Survivor families:	
Widow (aged 65 or over) only	20.20
Widow and one child	34.50
Widow and 2 children	47.20
Widow and 3 or more children	50.80
1 child only	12.40
2 children	23.20
3 children	34.50
4 or more children	46.30
1 parent	13.20

Monthly Benefits and Lump-Sum Payments Awarded, July-September 1944

Almost 79,000 monthly benefits were awarded during the third quarter of 1944, only slightly fewer than the all-time high reached during the second quarter of this year. Awards of primary and wife's benefits decreased 1 percent from those in the previous quarter. The total number of awards of survivors' benefits increased, although widow's benefit awards dropped almost 5 percent.

Table 1.—Monthly benefits in force¹ in each payment status,² actions effected during the month, and payments certified, by type of benefit, September 1944

[Current month's data corrected to Oct. 12, 1944]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Aug. 31, 1944	1,035,935	\$18,963,925	432,222	\$10,162,597	126,270	\$1,577,989	298,473	\$3,686,290	61,609	\$1,241,926	112,740	\$2,234,509	4,621	\$60,614
Current-payment status	874,467	15,912,332	362,386	8,343,643	107,171	1,351,573	266,840	3,291,050	60,519	1,219,721	83,009	1,646,700	4,542	59,615
Deferred-payment status	4,237	78,467	2,527	54,079	486	5,862	619	7,269	169	3,724	430	7,457	6	76
Conditional-payment status	157,231	2,973,126	77,309	1,764,875	18,613	220,554	31,014	387,941	921	18,481	29,301	580,352	73	923
Suspended	133,562	2,483,585	68,598	1,522,428	15,780	181,642	26,465	330,180	586	11,459	22,069	437,081	64	795
Frozen	23,669	489,541	8,711	242,447	2,833	38,912	5,449	57,761	335	7,022	7,232	143,271	9	128
Actions during September 1944:														
Benefits awarded	26,213	476,241	8,864	216,368	3,223	41,166	8,402	105,756	1,868	37,643	3,723	73,588	133	1,720
Entitlements terminated ³	7,289	128,325	2,040	48,844	1,001	12,454	2,597	33,974	161	3,134	1,461	29,555	29	364
Net adjustments ⁴	-176	-451	15	459	3	2	-148	-588	-4	-63	-41	-230	-1	-11
In force as of Sept. 30, 1944	1,054,683	19,311,390,439	10,330,560	128,495	1,606,703	304,130	3,757,484	63,312	1,276,372	114,961	2,278,312	4,724	61,959	
Current-payment status	803,633	16,252,922	358,053	8,484,532	109,047	1,376,189,275	178	3,400,437	62,182	1,253,500	84,555	1,677,405	4,638	60,859
Deferred-payment status	4,166	75,718	2,402	50,861	464	5,522	720	8,549	155	3,307	416	7,382	9	97
Conditional-payment status	156,864	2,982,750	78,606	1,795,167	18,984	224,992	28,232	348,498	975	19,565	29,990	593,525	77	1,003
Suspended	133,071	2,490,421	69,902	1,553,096	16,108	185,549	23,824	292,708	625	12,273	22,544	445,920	68	875
Frozen	23,793	492,329	8,704	242,071	2,876	39,443	4,408	55,790	350	7,292	7,446	147,605	9	128
Payments certified in September ⁵	19,025,506		8,748,961		1,428,225		3,688,596		1,305,697		1,826,861		65,483	

¹ Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

² Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit. Benefit in deferred-payment status is one withheld entirely for a known period. Benefit in conditional-payment status is one withheld entirely for an indefinite period; if previously in current or deferred-payment status, it is a suspended benefit; otherwise it is a frozen benefit.

³ Benefits are terminated when a beneficiary dies or loses entitlement to benefits

for the reasons specified in 1939 amendments, sec. 202.

⁴ Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.

⁵ Distribution by type of benefit estimated; includes retroactive payments.

⁶ Includes \$1,959,550 paid as lump-sum benefits under 1939 amendments (payable with respect to workers who died after December 1939, if no survivor could be entitled to monthly benefits for month in which worker died) and \$2,133 paid as lump-sum benefits under 1935 act (payable with respect to workers who died prior to January 1940).

Table 3.—Number of monthly benefits and lump-sum death payments awarded, by type of benefit and by quarter, 1940-44

Year and quarter	Monthly benefits							Lump-sum death payments ¹
	Total	Primary	Wife's	Child's	Widow's	Widow's current	Parent's	
1940								
Jan.-Mar.	40,780	28,211	4,366	5,978	168	2,057	0	7,046
Apr.-June	67,824	33,955	8,468	17,408	885	6,885	223	19,074
July-Sept.	76,113	38,245	11,981	17,220	1,590	6,782	325	23,793
Oct.-Dec.	70,267	31,924	9,740	18,776	1,987	7,536	304	25,182
1941								
Jan.-Mar.	74,567	32,802	9,901	20,597	2,703	8,227	337	30,633
Apr.-June	66,074	28,879	8,962	18,021	2,617	7,278	317	28,210
July-Sept.	65,503	27,238	8,898	18,745	2,786	7,632	294	29,610
Oct.-Dec.	63,052	25,741	8,452	18,256	2,914	7,365	324	28,850
1942								
Jan.-Mar.	68,181	27,609	9,161	19,596	3,505	8,027	283	23,410
Apr.-June	67,679	26,878	8,649	19,991	3,690	8,134	337	35,428
July-Sept.	62,161	23,826	8,013	18,804	3,475	7,624	320	32,932
Oct.-Dec.	60,095	21,310	7,426	18,902	4,103	8,037	317	33,221
1943								
Jan.-Mar.	67,750	23,754	8,112	21,503	4,975	9,078	328	40,525
Apr.-June	69,757	23,803	8,372	22,811	5,051	9,387	333	43,108
July-Sept.	63,501	21,378	7,896	20,764	4,695	8,476	292	39,485
Oct.-Dec.	61,863	20,139	7,537	20,541	4,856	8,478	312	39,893
1944								
Jan.-Mar.	75,807	25,474	9,401	23,978	6,416	10,225	313	47,342
Apr.-June	79,003	27,907	10,150	24,442	6,066	10,067	351	48,976
July-Sept.	78,976	27,607	10,066	24,589	5,804	10,559	351	52,444

¹ Under 1939 amendments.

In each quarter of 1944 the number of monthly benefit awards exceeded 75,000, a level previously reached only during the third quarter of 1940. For child's, widow's, and widow's current benefits, the number of awards in each quarter of 1944 is greater than for any quarter of any previous year. The number of monthly benefits awarded during the first 9 months of 1944 is 16 percent greater than that in the corresponding period of 1943.

More than 52,000 lump-sum death payments were awarded during the third quarter, the highest quarterly figure so far and an increase of 7 percent over the preceding quarter. Awards in each quarter of 1944 exceeded those of any previous quarter. During the first 9 months of 1944, the number awarded exceeded that for the entire year 1942 and was more than nine-tenths that for 1943.

Prior to 1944, claims for survivors' monthly benefits and lump-sum death payments have been fewer in the third quarter of the year than in the first or second quarter, because of the lower death rates in the summer months. The fact that this decrease did not occur this year—except for aged widow's benefits—may be due

partly to an increased number of war deaths among insured workers. An increase in war deaths could not affect the claims of aged widows, since these claims would arise only with respect to deaths of older workers.

Under the Railroad Retirement Act*

Benefit payments certified in September amounted to \$11.6 million—slightly less than the August peak (table 4). Employee annuities alone accounted for more than \$9.7 million, the highest monthly amount ever certified for this class of benefit. Pension payments totaled \$1.2 million, and survivor payments accounted for the remaining \$753,000. The number of applications for employee annuities continued to increase; 2,018 were received during the month, compared with an average of 1,711 for the first 8 months of the year. The number of annuities certified in September—

*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

1,562—was also above the January-August average of 1,437.

Compared with 136,000 employee annuities in force at the beginning of the year, at an average monthly rate of \$66.33, the Board was paying 141,000, averaging \$66.64, at the end of September. Pensions in force dropped from 22,800 to 20,200 in the same period, while the average payment rose from \$59.08 to \$59.24. The number of survivor and death-benefit annuities in force changed only slightly; at the end of September the former numbered 3,729 at an average of \$31.87, the latter, 549 at \$36.11. The 1,570 lump-sum death benefits certified in September averaged \$375.14, somewhat less than at the beginning of the year, although the trend is clearly toward larger amounts.

Military service.—The number of railroad workers inducted or reinducted into the armed forces in 1943-44 was slightly more than 5 percent of the average number in active service, compared with the high point of 11 percent in 1942-43. The total number of railroad workers in the armed forces in the last fiscal year rose to more than 326,000, and they acquired a total of 3.3 million months of creditable military service during that year (table 5). Each of these months may be credited toward employee annuities and lump-sum death benefits. The approximate cost of the additional benefits is borne by the Federal Government, which turns over to the retirement system an amount equal to the employer and employee taxes which would have been collected had the employee remained in railroad service and earned \$160 a month. The cost for 1943-44, exclusive of interest to the date the appropriation was made, was \$34.8 million. The figures on employees in military service, estimated from reports submitted by employers, are undoubtedly underestimates since no data were available for those who had left railroad service sometime before induction but recently enough to receive credit for their war service.

No employee annuity has yet been certified which was based in part on military service after 1936. Such cases will, of course, be very rare for a while, but common as railroad workers now in the armed forces reach retirement age.

Thus far, only 2 lump-sum death benefits have been certified in which current military service served to increase the amount paid. Since any increase in the annuity or death benefit which has resulted from military service is reduced by the amount of any other Federal benefits payable with respect to the same service, the death benefit may be based in part on military service only to the extent that the value of the service credits—\$6.40 per month of service—exceeds the other Federal benefit or gratuity. Most of the cases that the Board has handled involved an employee who died while still in military service and left a widow, minor child, or designated dependent eligible for a gratuity payment from the War or Navy Department. In some cases, if the man died from a service-connected disability, an additional monthly payment through the Veterans Administration may also be payable to the dependent survivor. Moreover, any installment still due a discharged veteran under the Mustering-Out Payment Act of 1944 and paid to his survivors is considered a Government

Table 5.—*Railroad retirement: Employees in military service and cost of credits acquired, by fiscal year, 1940-44*
[In thousands]

Fiscal year	Number of employees ¹		Months of military service credits acquired	Cost to Federal Government (excluding interest)
	Inducted or reinducted during year	In military service during year ²		
1939-40	(2)	(2)	1	\$ 9
1940-41	18	19	82	790
1941-42	66	85	505	4,844
1942-43	173	255	2,111	21,317
1943-44	83	326	3,346	34,795

¹ From reports received through June 1944. Data subject to change as additional reports for the periods shown are received from employers.

² Number of employees in military service at beginning of year plus inductions and reinductions during year. Deaths and discharges not shown.

³ Less than 500 employees.

⁴ Not included in Congressional appropriation.

death gratuity. Eventually claims involving military service will arise in large numbers from the deaths, in civilian life, of the demobilized railroad-employee veterans and will represent a continuing obligation on the Board for many years.

Service in earlier wars may also be credited toward an employee annuity. By the end of June, 227 annuities were certified on the basis of combined railroad and military service, but these are only a small part of the potential number, since most World

War I veterans have not yet reached retirement age. The Government's contribution to the railroad retirement account to meet the cost of credits for military service prior to 1937 equals the actuarial value of the proportionate part of the annuity amounts which is attributable to military service. The value of these credits in the 64 certifications made in 1943-44 was \$443,000, exclusive of interest; this amount is slightly less than the corresponding amounts for each of the 2 preceding years.

Table 4.—*Railroad retirement: Annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of benefit, September 1944¹*

Period and action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities ²	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force Aug. 31, 1944	164,976	\$10,693,336	140,262	\$9,344,090	20,449	\$1,210,819	3,709	\$118,317	556	\$20,109
During September 1944:										
Initial certifications	1,655	108,918	1,562	105,775	0	0	30	859	63	2,282
Terminations by death (deduct)	1,115	69,216	804	53,257	232	13,127	9	265	70	2,565
In force as of Sept. 30, 1944	165,511	10,734,134	141,018	9,397,845	20,215	1,197,604	3,729	118,859	549	19,826
Total payments (net)	³ 11,641,893		9,706,344		1,182,193			122,864		28,330

¹ For definitions of classes of benefit, see the *Bulletin*, October 1942, p. 25. Data for initial certifications are for period in which payment was certified, not for period in which it began to accrue. Data for terminations by death are for period in which notice of death was received, not for period in which beneficiary died. In-force data represent certifications less terminations by death; they are adjusted for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payment). Certifications are reported on an accounting-month basis ended

on approximately the 20th, terminations are reported through dates staggered from the 14th to the 27th, and total payments are on calendar-month basis. Cents omitted.

² In a few cases, payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

³ Includes \$602,160 for lump-sum death benefits.

Social and Economic Data

Social Security and Other Income Payments

Income payments to individuals amounted to \$13.0 billion in September, slightly less than in August but 8 percent above the level a year earlier. Social insurance and related payments rose to \$173 million in September and represented 1.3 percent of total income payments, as in August.

Compensation of employees, which accounted for \$9.2 billion or 71 percent of all payments in September, was 0.4 percent below the high point reached in August of this year but 7 percent more than a year earlier. A major portion of the gain is attributable to the rise in government pay rolls, which include pay of the armed forces. Wages and salaries paid to workers in industries covered by the old-age and survivors insurance program increased less than pay rolls in noncovered employments—government, railroads, agriculture, and domestic service.

Entrepreneurial income of \$2.3 billion was 2.4 percent less than in August and only 2.9 percent above the amount a year earlier. A steady month-to-month rise brought dividends and interest to \$953 million in September, 11 percent more than in September 1943.

Public aid, which has consisted entirely of direct relief payments since July 1943, has amounted to \$78 million in each of the last 6 months. Although the total expenditure for public aid was the same this September as a year earlier, general assistance and aid to dependent children now account for relatively less of the total, and old-age assistance and aid to the blind, for relatively more.

Government allowances to dependents of members of the armed forces were only 1.3 percent above the August level. The \$234 million paid in military allowances in September was, however, considerably more than double the amount paid in the same month last year.

Social insurance and related payments of \$173 million were slightly higher than in August and 23 percent above the amount in September 1943.

Estimated Pay Rolls in Covered Employment, Second Quarter, 1944

Total wages and salaries in the second quarter of 1944 amounted to \$27.8 billion, an increase of 10 percent over the total for the second quarter of 1943 (table 2). The rise is largely accounted for by the increase in government pay rolls, including military pay, and in wages paid in industries closely allied to war production.

Pay rolls in all employments covered by old-age and survivors insurance—\$18.4 billion—rose 6 percent over the second quarter of 1943 and

accounted for 38 percent of the total increase in wages and salaries. Because these pay rolls increased less rapidly than total pay rolls, however, they represented only 66 percent of all wages and salaries in the second quarter of 1944 as compared with 69 percent a year earlier.

Pay rolls in employments covered by the State unemployment compensation programs totaled \$17.0 billion, 3.3 percent above the amount a year earlier. The proportion of total wages covered by these programs decreased from 65 percent in the second quarter of 1943 to 61 percent in the second quarter of 1944.

Wages and salaries of railroad workers, who are covered by both the railroad retirement and unemployment insurance program, rose 18 percent over the year and represented 4 percent of all wages and salaries in the second quarter of 1944.

Table 1.—*Income payments to individuals, by specified period, 1936–44*¹

[In millions; data corrected to Nov. 2, 1944]

Calendar year and month	Total ²	Compen-sation of employees ³	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments ⁴	Military allowances ⁵
					Work relief ⁶	Direct relief ⁷		
1936	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	
1937	72,365	44,680	14,162	9,801	1,639	836	1,020	
1938	66,135	40,845	12,369	8,233	2,094	1,008	1,529	
1939	70,793	43,870	13,441	8,891	1,870	1,071	1,616	
1940	76,210	46,218	14,313	9,175	1,577	1,098	1,801	
1941	92,710	60,262	18,599	9,761	2,213	1,112	1,744	
1942	116,652	73,642	23,933	9,441	586	1,060	1,844	\$136
1943	142,224	100,730	27,699	10,070	58	938	1,703	1,020
1944								
September	12,044	8,598	2,274	857	—	78	141	95
October	12,177	8,691	2,301	864	—	78	143	100
November	12,358	8,809	2,346	870	—	78	143	112
December	12,475	8,900	2,337	878	—	79	147	134
January								
January	12,672	9,003	2,402	885	—	79	149	153
February	12,934	9,168	2,474	892	—	79	156	165
March	12,887	9,104	2,456	900	—	79	159	188
April	12,840	9,074	2,421	908	—	78	161	198
May	12,927	9,096	2,452	917	—	78	166	218
June	13,019	9,170	2,457	926	—	78	165	222
July	12,989	9,234	2,356	935	—	78	171	224
August	13,079	9,257	2,396	944	—	78	172	231
September	12,994	9,216	2,339	953	—	78	173	234

¹ Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

² Includes veterans' bonus; for totals for years 1936–42 see October 1943 *Bulletin*; September payments were \$1 million.

³ Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces; and beginning with February 1944, mustering-out pay.

⁴ Earnings of persons employed by NYA, WPA, and CCC. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in compensation of employees.

⁵ Payments to recipients under 3 special public assistance programs and general assistance, value of food stamps issued by Food Distribution Administration under food stamp plan, and subsistence payments certified by Farm Security Administration.

⁶ Payments under programs of old-age and survivors' insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance.

⁷ Government portion of payments to dependents of members of the armed forces; portion deducted from military pay included under compensation of employees as part of military pay rolls.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

Social Insurance and Related Payments

Payments under the social insurance and related programs shown in table 3 totaled \$97.1 million in September, 0.9 percent more than in August and 29 percent more than the total a year earlier. They represented 56 percent of all social insurance and related payments as estimated by the Department of Commerce.

Benefits of \$4.2 million under the State unemployment compensation laws—the lowest amount for any month since last November—were 12 percent less than in August and 4 percent less than in September 1943. Unemployment benefits paid to railroad workers rose to \$40,000, 6 percent above August payments but 9 percent below those in September 1943.

The Rhode Island sickness compensation program paid benefits amounting to \$422,000 in September, 16 percent less than in August. This is a relatively new program, however, and payments were 22 percent above the level a year earlier.

The continued development of programs which provide monthly retirement, disability, and survivor benefits brought their total monthly and lump-sum payments to \$92.4 million, 1.6 percent more than in August and 31 percent more than in September 1943. Of the increase of \$22 million over payments in September of last year, 77 percent resulted from increases in the benefit rolls and benefit rates of the veterans' program and 19 percent from the steady rise in old-age and survivors insurance. Monthly benefits paid to retired workers and their families under the Social Security Act totaled 23 percent more than such payments a year earlier, while monthly survivor payments rose 34 percent. Over the same period, payments to disabled or aged veterans increased 51 percent, and monthly payments to their survivors, 30 percent. Monthly retirement or disability payments under the Railroad Retirement Act and under the programs administered by the Civil Service Commission increased 3 and 6 percent, respectively, from the September 1943 totals.

Approximately 1.6 million indi-

Table 2.—Estimated pay rolls in employment covered by selected social insurance and retirement programs in relation to all wages and salaries, by specified period, 1937-44

Period	All wages and salaries ¹	Pay rolls covered by retirement programs ²		Pay rolls covered by unemployment insurance programs ³	
		Old-age and survivors insurance ⁴	Railroad retirement ⁴	State unemployment compensation ⁵	Railroad unemployment insurance ⁶
Amount (in millions)					
Calendar year:					
1937	\$45,053	\$32,770	\$2,265	(1)	\$2,265
1938	41,247	29,026	2,010	\$26,200	2,010
1939	44,313	32,222	2,149	29,069	2,149
1940	48,771	35,860	2,272	32,450	2,272
1941	60,885	45,492	2,685	42,146	2,685
1942	80,477	58,130	3,337	54,796	3,337
1943	101,841	70,145	3,781	65,925	3,781
1943					
Jan.-Mar.	23,191	15,879	892	14,963	892
Apr.-June	25,283	17,429	931	16,453	931
July-Sept.	25,629	17,682	968	16,568	968
Oct.-Dec.	27,738	19,155	900	17,941	900
1944					
Jan.-Mar.	26,797	17,870	1,070	16,660	1,070
Apr.-June	27,832	18,404	1,100	16,996	1,100
Percent of all wages and salaries					
Calendar year:					
1937	100.0	72.7	5.0	(1)	5.0
1938	100.0	70.4	4.9	63.5	4.9
1939	100.0	72.7	4.8	65.6	4.8
1940	100.0	73.5	4.7	66.5	4.7
1941	100.0	74.7	4.4	69.2	4.4
1942	100.0	72.2	4.1	68.1	4.1
1943	100.0	68.9	3.7	64.7	3.7
1943					
Jan.-Mar.	100.0	68.5	3.8	64.5	3.8
Apr.-June	100.0	68.9	3.7	65.1	3.7
July-Sept.	100.0	69.0	3.8	64.6	3.8
Oct.-Dec.	100.0	69.1	3.6	64.7	3.6
1944					
Jan.-Mar.	100.0	66.7	4.0	62.2	4.0
Apr.-June	100.0	66.1	4.0	61.1	4.0

¹ Data from Bureau of Foreign and Domestic Commerce. Quarterly data have been adjusted to correct for distribution of bonus payments. Represents estimated wages and salaries paid in cash and in kind in continental United States and, in addition, Army and Navy pay rolls in all other areas. Includes employee contributions to social insurance and retirement programs. Because estimates of all wages and salaries are built up by industry groups, amount in covered and noncovered employment cannot be determined precisely. While the estimated amount in covered employment included within this total differs from pay rolls in covered employment as given in this table, the difference is so small that it does not invalidate relationship of covered pay rolls to total. Commerce estimates relate to calendar quarters; estimates for pay rolls covered by old-age and survivors insurance, railroad retirement, and unemployment compensation relate

to pay periods ended in calendar quarters.

² Include data for Alaska and Hawaii. Pay roll in these 2 territories covered by State unemployment compensation programs has ranged from \$18 million to \$72 million per quarter.

³ Represents taxable wages plus estimated non-taxable wages in excess of \$3,000 earned in employment covered by program. Series revised.

⁴ Represents taxable wages plus nontaxable wages in excess of \$300 per month.

⁵ Represents taxable wages plus nontaxable wages earned in employment covered by program; excludes earnings of railroad workers covered by State laws through June 1939. Data for 1942 and 1943 estimated.

⁶ Estimated for 1937-June 1939 when railroad workers were covered by State unemployment compensation laws.

⁷ Not available.

viduals received monthly retirement and disability benefits totaling \$69.1 million under the four programs. Monthly survivor payments of \$19.7 million were made to 777,000 survivors, and 21,000 survivors received the lump-sum payments of \$3.6 million. Unemployment benefits of \$4.3 million were paid to 64,000 persons and Rhode Island sickness compensation of \$422,000 to 6,000 beneficiaries.

The 904,000 beneficiaries receiving monthly retirement or survivor benefits under the Social Security Act rep-

resent about 562,000 families. The 246,000 monthly beneficiaries of the railroad and civil-service retirement programs equal approximately the number of families receiving benefits since these programs do not provide supplementary payments for wives and children of retired or disabled workers and since monthly benefits are not paid to more than one survivor of a deceased annuitant. The 1.2 million monthly beneficiaries under the veterans' program represent at least 1.1 million families.

Table 3.—Selected social insurance and related programs, by specified period, 1936-44

[In thousands; data corrected to Nov. 3, 1944]

Calendar year and month	Total	Retirement, disability, and survivor programs												Unemployment insurance programs						
		Monthly retirement and disability benefits ¹				Survivor benefits								Rhode Island sickness compensation ¹⁰	Total	State unemployment compensation laws ¹⁰	Railroad Unemployment Insurance Act ¹¹			
		Social Security Act ²		Railroad Retirement Act ³		Civil Service Commission ⁴		Veterans Administration ⁵		Social Security Act ⁶		Railroad Retirement Act ³								
		Total	Social Security Act ²	Railroad Retirement Act ³	Civil Service Commission ⁴	Veterans Administration ⁵	Social Security Act ⁶	Railroad Retirement Act ³	Veterans Administration ⁷	Social Security Act ⁶	Railroad Retirement Act ³	Veterans Administration ⁷	Railroad Retirement Act ³	Veterans Administration ⁷						
Number of individuals																				
1943																				
September	307.3	157.7	75.5	629.1	321.5	4.1	315.6	10.2	1.3	1.0	3.5	5.0	-----	74.6	0.7					
October	401.3	158.1	76.0	633.7	329.5	4.1	318.4	10.1	1.2	1.3	3.4	4.9	-----	60.7	.7					
November	405.9	158.6	76.6	640.1	336.9	4.1	320.5	10.2	1.2	.8	3.4	4.4	-----	56.4	.7					
December	411.4	159.0	76.8	648.6	344.6	4.1	322.7	10.5	1.2	1.4	3.3	4.1	-----	64.4	.7					
1944																				
January	419.3	158.9	77.5	663.1	362.8	4.1	323.4	11.2	1.0	1.0	3.3	4.1	-----	84.0	1.3					
February	427.9	159.2	77.5	687.5	363.1	4.2	325.1	12.2	1.3	1.0	3.5	4.6	-----	104.0	1.2					
March	436.0	159.3	77.9	724.6	373.4	4.2	327.0	13.7	1.3	1.0	4.0	4.6	-----	112.0	1.3					
April	442.2	159.5	78.5	759.2	382.1	4.2	329.3	12.3	1.4	1.0	4.1	5.5	-----	83.3	.8					
May	451.0	159.8	78.7	792.8	391.9	4.2	332.5	13.4	1.5	1.3	4.5	8.3	-----	87.1	.5					
June	458.5	159.9	79.2	814.4	399.2	4.2	336.5	12.3	1.3	.5	4.5	8.3	-----	77.9	.4					
July	466.7	160.2	79.7	833.9	403.2	4.3	339.0	11.9	1.4	.9	4.4	7.6	-----	65.7	.3					
August	475.6	160.7	80.1	845.7	411.1	4.3	344.1	14.2	1.7	1.2	4.2	7.0	-----	72.3	.6					
September	482.2	161.2	80.9	875.6	421.8	4.3	350.9	14.2	1.6	1.2	3.7	5.9	-----	63.3	.7					
Payments ¹²																				
1936	\$458,896	\$458,765	-----	\$685	\$51,630	\$299,001	\$2	\$99,992	-----	-----	\$4,062	\$5,395	-----	\$131	\$131	-----				
1937	501,664	499,592	-----	40,001	53,694	299,660	444	96,370	\$1,278	-----	4,401	3,684	2,132	2,132	2,132	-----				
1938	969,600	575,814	-----	96,766	56,118	301,277	1,383	101,492	10,478	\$291	4,604	3,405	393,786	393,786	393,786	-----				
1939	1,043,160	600,095	-----	107,282	58,331	307,512	1,451	109,192	13,896	1,926	4,952	3,553	435,065	429,296	\$5,767	-----				
1940	1,188,630	654,041	\$21,074	114,162	62,019	317,851	1,448	105,696	11,736	2,497	5,810	3,960	534,589	518,700	15,889	-----				
1941	1,085,489	726,631	55,141	119,913	64,933	320,561	1,559	111,799	13,328	3,421	6,170	4,352	358,858	344,321	14,537	-----				
1942	1,130,721	780,369	80,305	122,800	68,115	325,265	1,703	111,193	15,038	4,114	6,108	4,120	350,352	344,084	6,268	-----				
1943	921,466	840,906	97,257	125,795	72,961	331,350	1,763	1,704	116,133	17,830	5,560	7,344	4,350	\$2,860	80,560	79,643	917			
1943																				
September	75,297	70,820	8,358	10,602	6,180	27,393	5,056	142	9,845	1,434	483	644	339	345	4,477	4,433	44			
October	75,292	71,702	8,471	10,609	6,195	27,716	5,174	146	10,200	1,433	465	625	341	325	3,591	3,546	44			
November	75,803	72,221	8,566	10,615	6,228	28,204	5,284	142	10,244	1,442	437	419	329	310	3,582	3,540	42			
December	77,866	73,540	8,686	10,643	6,280	28,574	5,422	148	10,349	1,468	445	902	334	289	4,316	4,274	42			
1944																				
January	80,074	74,728	8,880	10,637	6,319	29,523	5,568	141	10,502	1,584	402	563	316	292	5,346	5,271	75			
February	85,300	79,077	9,138	10,665	6,356	31,866	5,763	147	11,638	1,725	531	587	345	297	6,224	6,156	67			
March	87,518	80,095	9,313	10,629	6,402	32,897	5,944	145	10,932	1,936	487	685	406	319	7,423	7,344	79			
April	88,132	82,613	9,439	10,707	6,426	35,303	6,035	148	10,897	1,721	572	416	395	5,519	5,471	48				
May	90,442	84,641	9,659	10,741	6,412	36,290	6,209	150	10,960	1,867	586	739	433	595	5,802	5,771	31			
June	90,299	85,049	9,810	10,712	6,454	36,258	6,316	146	11,457	1,712	518	625	12,455	596	5,250	5,224	26			
July	96,389	92,021	9,999	10,798	6,536	41,925	6,364	147	12,589	1,656	557	468	12,435	547	4,368	4,347	21			
August	96,301	91,455	10,236	10,843	6,606	40,369	6,549	148	12,547	1,908	602	712	12,415	502	4,846	4,808	38			
September	97,126	92,839	10,289	10,889	6,549	12,415	5,775	151	12,795	1,962	602	684	12,366	422	4,287	4,247	40			

¹ Old-age retirement benefits under all acts, disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

² Number and amount of primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

³ Annuitants and pensioners as of 20th of month; includes disability beneficiaries. Payments represent amounts certified, minus cancellations. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

⁴ Retirement and disability benefits include survivor benefits under joint and survivor elections; not adjusted for suspension of annuities of persons reemployed under National Defense Acts of June 28, 1940, and Jan. 24, 1942. Payments principally from civil-service retirement and disability fund but includes also payments from Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Refunds to employees leaving the service, which were previously included in this table, will be summarized twice a year in the Bulletin.

⁵ Number of veterans receiving pensions and compensation and amount of payments.

⁶ Number and amount of widow's, widow's current, parent's and child's benefits. Partly estimated.

⁷ Number of widows, parents, and children of deceased veterans on whose account payments were made and amount of payments.

⁸ Number and amount of survivor payments with respect to deaths of covered workers under both the 1935 and 1939 acts, and, for the period January 1937-August 1939, payments to covered workers at age 65 totaling \$9.9 million, which are not survivor payments.

⁹ Number and amount of payments for burial of deceased veterans.

¹⁰ Number represents average weekly number of benefit recipients. Annual amounts under State unemployment compensation laws adjusted for voided benefit checks; monthly amounts unadjusted.

¹¹ Number represents average number of persons receiving benefits for unemployment in a 14-day registration period. 1941, 1942, and 1943 annual amounts adjusted for underpayments and recoveries of overpayments; monthly figures unadjusted.

¹² Data represent payments to individuals and exclude cost of administration. Payments under the Social Security and Railroad Retirement Acts (including retroactive payments) and payments under Railroad Unemployment Insurance Act are amounts certified; payments under Civil Service Commission and Veterans Administration are disbursements minus cancellations; Rhode Island sickness compensation and State unemployment insurance payments are checks issued by State agencies. Totals are sums of unrounded figures, therefore, may differ slightly from sums of rounded figures.

¹³ Preliminary estimate.

Financial and Economic Data

Receipts and Expenditures

Third-quarter receipts of social security taxes amounted to 3.3 percent of total Federal receipts (table 5), the same proportion as in the corresponding period of 1943 but half that in the third quarter of 1942.

Although total tax collections in September under selected social insurance programs were almost one-fourth more than in September 1943, collections for the quarter July-September were only 2.9 percent more than in the corresponding quarter of 1943.

Following the usual administrative pattern, July-September collections under each of the selected social insurance programs were less than in April-June. In comparison with the third quarter of 1943, however, the amounts collected were higher for each type of contribution except State unemployment contributions, which totaled about 4 percent less. This decrease, reflected in the figures for all but 14 States, was due in part to the operation of experience-rating provisions. In all but 2 of the 37 States with lower tax collections, a larger proportion of rated accounts had rate reductions in 1944 than in 1943.

Total tax receipts under the Federal Unemployment Tax Act were 24 percent more in July-September 1944 than in the corresponding quarter of 1943, although such receipts were lower in all but 14 internal revenue districts. These 14 districts were for the most part the larger industrial regions and weighted heavily the total figure for collections.

Social security expenditures of \$466 million (including administrative expenses, net appropriations to the old-age and survivors insurance trust fund, and grants to States) were only slightly less than in the preceding quarter, and their ratio to total Federal expenditures remained about the same—1.9 percent.

Social security expenditures (checks cashed) of \$124 million for grants to States and for administrative expenses were approximately 13 percent less than in July-September 1943 (table 7). Expenditures declined under all eight grant programs ex-

cept aid to the blind, public health work, and child welfare services. Quarterly administrative expenses also declined except for those incurred by the Treasury in connection with old-age and survivors insurance. Grants for old-age assistance remained the largest single item of disbursement under the Social Security Act and experienced the largest dollar decrease. The largest percentage decrease, however, occurred in grants for maternal and child health services, which dropped 42.2 percent.

General business indexes, except for department-store sales, declined slightly in September. The Federal Reserve Board adjusted index of industrial production declined 1 point from August and was 13 points below the index for September 1943; the adjusted index of factory employment decreased 2.5 and 14 points, respectively. Durable manufactures decreased somewhat from August with especially large declines in production of aluminum and magnesium. Production of nondurable goods as a

Table 4.—*Federal insurance contributions and Federal unemployment taxes,¹ by internal revenue collection district, for the first quarter of fiscal years 1943-44 and 1944-45*

[In thousands]

Internal revenue collection district in—	First quarter, fiscal year 1943-44			First quarter, fiscal year 1944-45		
	Total	Insurance contributions ²	Unemployment taxes ³	Total	Insurance contributions ²	Unemployment taxes ³
Total	\$345,568.2	\$333,227.7	\$12,340.5	\$364,144.8	\$348,838.9	\$15,305.8
Ala.	3,179.6	3,075.0	104.6	3,390.1	3,297.4	82.7
Ariz.	591.3	567.9	23.4	557.4	536.0	21.8
Ark.	867.1	845.8	21.3	879.6	862.0	17.7
Calif. (2 districts)	29,518.6	28,928.1	500.5	32,109.9	31,164.2	945.7
Colo.	1,475.7	1,403.0	72.7	1,567.3	1,516.4	50.9
Conn.	8,531.8	8,297.2	234.6	7,707.1	7,504.4	202.7
Del.	3,354.6	3,119.3	235.3	3,938.6	3,756.2	182.4
Fla.	2,684.6	2,613.4	71.2	2,756.5	2,714.4	42.1
Ga.	3,532.7	3,391.9	140.7	3,550.4	3,442.4	108.0
Hawaii	797.1	787.0	10.1	701.8	691.1	10.7
Idaho	588.3	578.5	9.8	547.4	541.0	6.4
Ill. (2 districts)	27,646.2	26,165.0	1,481.2	29,989.3	28,256.9	1,732.4
Ind.	6,196.5	5,961.8	234.8	6,607.8	6,512.2	155.6
Iowa	2,301.8	2,237.1	64.7	2,483.5	2,427.3	56.2
Kans.	303.4	2,052.6	-1,749.1	2,063.8	2,019.1	44.7
Ky.	2,150.0	2,081.2	68.8	2,251.2	2,206.7	42.5
La.	2,852.3	2,757.6	94.7	3,091.7	3,014.7	77.0
Maine	2,146.5	2,104.0	42.6	1,660.2	1,638.7	21.4
Md. (including Dist. of Col.)	5,828.7	5,648.0	180.7	5,664.4	5,518.7	145.7
Mass.	13,007.3	12,907.0	100.3	13,763.5	13,183.4	580.1
Mich.	27,581.1	26,313.6	1,267.6	29,276.4	27,637.3	1,639.1
Minn.	4,690.2	4,522.4	167.8	4,774.1	4,612.2	162.0
Miss.	807.9	773.3	34.6	835.7	805.2	30.5
Mo. (2 districts)	7,692.2	7,360.3	331.9	8,108.7	7,806.3	302.3
Mont.	390.7	376.7	14.0	397.4	386.1	8.2
Nebr.	1,490.5	1,446.0	44.5	1,511.4	1,460.7	50.7
Nev.	195.9	192.9	3.0	171.3	170.0	1.3
N. H.	781.6	754.1	27.5	776.0	757.4	18.6
N. J. (2 districts)	13,390.2	12,849.5	540.7	13,977.2	13,309.8	667.4
N. Mex.	249.2	239.2	10.1	274.0	267.8	6.2
N. Y. (6 districts)	66,920.3	63,215.4	3,704.9	70,984.8	67,199.1	3,785.7
N. C.	4,267.0	4,145.9	121.1	4,358.3	4,244.6	113.6
N. Dak.	190.4	182.6	7.9	211.0	208.2	2.8
Ohio (4 districts)	24,343.2	23,410.3	932.9	24,634.3	23,737.9	896.4
Oklas.	2,568.7	2,402.5	166.3	2,491.1	2,393.7	97.4
Oreg.	3,424.6	3,371.3	53.3	3,378.2	3,308.0	70.2
Pa. (3 districts)	34,506.9	32,688.2	1,818.6	36,183.3	34,206.1	1,977.3
R. I.	2,436.5	2,419.0	17.5	2,323.8	2,295.1	28.7
S. C.	1,597.2	1,549.0	48.2	1,600.8	1,564.9	35.8
S. Dak.	257.3	252.0	5.3	253.3	251.9	1.4
Tenn.	2,705.6	2,630.4	75.2	3,218.5	3,151.1	67.4
Tex. (2 districts)	7,678.6	7,475.2	203.0	8,225.2	8,029.8	195.4
Utah	778.6	758.3	20.3	738.2	727.6	10.6
Vt.	486.8	467.6	19.2	459.1	448.3	10.8
Va.	3,564.1	3,381.3	182.8	3,532.5	3,385.4	147.1
Wash. (including Alaska)	5,946.7	5,772.7	173.9	6,307.0	6,116.2	190.8
W. Va.	2,255.4	2,148.7	106.7	2,460.2	2,406.7	53.5
Wis.	6,441.5	6,241.3	200.2	7,107.4	6,907.1	200.3
Wyo.	375.0	366.2	8.8	244.2	236.2	8.0

¹ Data are based on warrants covered by the Bookkeeping and Warrants Division of the Treasury Department and therefore differ slightly from tax receipts in tables 5 and 6, which are based on *Daily Statement of the U. S. Treasury*. Amounts listed in this table represent collections made in internal revenue collection districts in the respective States and covered into Treasury. The amount re-

ceived by a particular district does not necessarily represent taxes paid with respect to employment within the State in which that district is located.

² See table 6, footnote 1.

³ See table 6, footnote 4.

Source: Treasury Department, Office of the Commissioner of Accounts and Deposits.

whole decreased only slightly, although production of certain individual items rose.

Output of textile and leather products continued to rise, and shoe production reached the highest rate since the spring of 1942. Adjusted Indexes show manufactured-food production at about the level of the preceding month. Department-store sales in-

creased seasonally and were 14 percent higher than in September 1943.

Status of Trust Accounts

Contributions appropriated to the old-age and survivors insurance trust fund totaled \$3.8 million in September, raising total appropriations for the quarter to \$348.8 million, or 5 percent above the total for the third quarter

of 1943. September benefit payments (checks cashed) of \$18.4 million, the largest amount for any month since the program began, were 2 percent more than in the preceding month and 29 percent more than in September 1943. As is usual in the third month of each quarter, the total assets of the fund declined slightly and were \$5,738.5 million at the end of Septem-

Table 5.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936-44

[In millions]

Period	General and special accounts										Public debt							
	Receipts of Federal Government				Expenditures ¹ of Federal Government						Total	Old-age and survivors insurance trust fund	Unemployment trust fund	Railroad retirement account	All other			
	Total	Social security taxes ²	Railroad retirement and unemployment taxes ³	All other	Total	Under the Social Security Act	Under the Railroad Retirement Board	Transfers to railroad retirement account	Administrative expenses and grants to States ⁴	Net appropriations and transfers to old-age and survivors insurance trust fund	Administrative expenses	Transfers to railroad retirement account	Excess receipts (+) or excess receipts (-)	Change in general fund balance				
Fiscal year:																		
1936-37	\$5,294	\$252	(7)	\$5,042	\$8,442	\$183	\$265	\$1	\$7,903	-\$3,149	+\$374	-\$128	\$36,425	\$267	\$312	\$35,846		
1937-38	6,242	604	6,150	6,488	7,626	291	387	3	\$146	6,709	-1,384	+\$206	-\$238	37,165	662	372	\$66,35,565	
1938-39	5,698	631	109	5,928	9,210	342	503	3	107	8,255	-5,542	+\$890	+\$622	40,440	1,177	1,267	67,37,929	
1939-40	5,925	712	126	5,067	9,537	379	539	8	121	8,490	612	+\$137	-\$947	42,968	1,738	1,710	70,39,441	
1940-41	8,269	788	144	8,337	13,372	447	661	7	124	12,133	-5,103	-148	+\$742	48,981	2,381	1,273	74,44,233	
1941-42	13,668	1,016	1,78	12,474	33,265	501	869	10	141	31,744	19,598	-3,506	+\$558	72,422	3,202	3,139	92,65,989	
1942-43	23,385	1,289	219	21,877	79,282	504	1,103	8	215	77,452	-55,897	-1,861	+\$6,515	136,696	4,237	4,367	178,127,914	
1943-44	45,408	1,472	279	43,657	95,003	519	1,260	6	203	92,955	-49,595	-4,051	+\$10,662	201,003	5,409	5,870	319,189,405	
3 months ended:																		
September 1942	4,118	277	51	3,700	16,564	141	268	2	113	16,060	-12,446	-304	+\$1,311	86,483	3,415	3,359	173,79,536	
September 1943	10,500	346	65	10,089	22,589	143	325	1	161	21,859	-12,089	-914	+\$8,651	158,349	4,499	4,740	310,148,800	
September 1944	10,998	364	76	10,558	24,500	124	342	1	205	23,828	-13,502	-41	-\$5,051	209,496	5,677	6,245	490,197,084	
1943																		
September	5,448	4	49	5,395	7,535	32	(7)	(7)	7,503	-2,087	-410	+\$11,794	158,349	4,499	4,740	310	148,800	
October	2,060	45	1	2,023	7,495	57	39	(7)	7,365	-5,426	-132	+\$1,139	165,047	4,499	4,768	332	155,448	
November	2,370	264	8	2,078	8,110	40	271	(7)	7,799	-5,740	+\$200	+\$4,338	166,158	4,499	5,056	321	156,282	
December	5,737	5	56	5,676	7,453	24	1	1	7,427	-1,716	-667	-\$2,664	165,877	4,779	5,095	310	155,693	
1944																		
January	2,779	48	1	2,730	7,602	58	32	(7)	7,478	-4,823	-14	-55	170,659	4,768	5,166	333	160,392	
February	2,754	369	4	2,381	8,112	33	250	(7)	7,829	-5,359	-173	+\$6,916	183,107	4,868	5,427	322	172,490	
March	6,576	8	61	6,507	8,528	35	2	(7)	8,491	-1,952	-2,205	-\$2,549	184,715	5,012	5,466	311	173,926	
April	3,119	38	(7)	3,081	7,890	53	32	(7)	7,771	-4,772	+193	+\$4,327	184,067	5,012	5,494	334	174,127	
May	3,256	324	14	2,918	8,598	44	306	(7)	8,248	-5,342	+185	-\$3,757	186,266	5,012	5,774	322	175,258	
June	6,249	6	68	6,175	8,627	32	2	(7)	8,593	-2,378	-613	+\$11,646	201,003	5,409	5,870	319	189,405	
July	2,212	55	1	2,156	8,159	53	49	1	205	7,851	-5,947	+133	+\$1,756	208,574	5,397	5,913	513	196,751
August	2,859	305	14	2,540	8,410	* 39	291	(7)	8,080	-5,551	+70	+\$4,252	209,802	5,397	6,211	502	197,692	
September	5,927	4	60	5,863	7,931	34	1	1	7,895	-2,004	-244	-\$2,555	209,496	5,677	6,245	490	197,084	

¹ Beginning July 1940, Treasury reports of net receipts and expenditures of general and special accounts exclude appropriations to old-age and survivors insurance trust fund minus reimbursements to Treasury for administrative expenses; such net appropriations are included in this table for comparison with previous periods.

² Represents collections under Federal Insurance Contributions Act and Federal Unemployment Tax Act.

³ Represents total collections under Carriers Taxing Act and 10 percent of collections under Railroad Unemployment Insurance Act (see table 6, footnote 5).

⁴ Checks cashed and returned to Treasury. Excludes public-debt retirement.

⁵ Includes administrative expenses under Wagner-Peyser Act for employment service administration, July 1940-December 1941, but excludes grants to States under that act; the latter are included in "all other." From Jan. 1 through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States. Excludes administrative expenses incurred by Treasury prior to July 1940 in administration of Title II of Social Security Act and Federal Insurance Contributions Act. Also excludes funds for disease and sanitation investigations of Public Health Service. For fiscal year 1943-44 includes expenditures

from \$4,095,411 transferred to Social Security Board from War Manpower Commission for employment office facilities and services.

⁶ Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from "surplusage."

⁷ Less than \$500,000.

⁸ Excludes Social Security Board administrative expenses for August. Because of unavoidable circumstances affecting Treasury bookkeeping operations, August administrative expenditures were not drawn against Social Security Board appropriation accounts but against another account; the August figure in *Daily Statement of the U. S. Treasury*, therefore, includes none of expenditures actually made during month, but represents an advance from another account. Necessary adjustments are reflected in the September figure.

⁹ Includes Social Security Board administrative expenses for August. See footnote 8.

Source: *Daily Statement of the U. S. Treasury*.

ber but were 26 percent above assets on September 30, 1943.

New investments acquired in September by the old-age and survivors insurance trust fund, purchased out of unexpended balances accumulated during the quarter, consisted of \$280 million of 1½-percent special certificates of indebtedness, maturing on June 30, 1945. No securities were redeemed. The total investment holdings showed a net increase of only \$279,964,120, however, because \$35,880 of accrued interest was transferred to the fund account from investments; this amount became payable in September on 2½-percent Treasury bonds, 1965-70 series, originally pur-

chased after their date of issue at a price which included accrued interest. Total interest receipts during September amounted to \$3.7 million. At the end of the month, the fund investments bore an average rate of interest of 2.179 percent, as compared with 2.243 percent a year earlier.

Reimbursements of \$7.3 million from the fund to the Treasury for administrative expenses for the quarter were paid out of the disbursing officer's account during September, although the reimbursements have been noted as monthly transactions in the fund account of the Daily Treasury Statement, in order to balance current expenditures.

Assets of the railroad retirement account at the beginning of September were \$619 million (table 10). Interest for the month added \$76,000, and benefit payments of \$11.9 million reduced the total at the end of September to \$607 million. This total includes \$104 million remaining from the 1944-45 appropriation, the approximate amount required to meet benefit payments in the remaining 9 months of the year. Of the assets on September 30, \$491 million was invested in 3-percent Treasury notes.

In the unemployment trust fund, September deposits by States totaled \$6.9 million. Total deposits during the quarter were \$342.3 million, 3 percent

Table 6.—Social insurance taxes under selected programs, by specified period, 1936-44

[In thousands]

Period	Old-age and survivors insurance		Unemployment Insurance		
	Federal insurance contributions ¹	Taxes on carriers and their employees ²	State unemployment contributions ³	Federal unemployment taxes ⁴	Railroad unemployment insurance contributions ⁵
Cumulative through September 1944	\$6,201,440	\$1,236,027	\$7,583,969	\$927,470	\$460,555
Fiscal year:					
1936-37	194,346	345	(7)	\$ 57,751	-
1937-38	514,406	150,132	(7)	\$ 90,104	-
1938-39	530,358	109,257	803,007	100,869	-
1939-40	604,694	120,967	853,955	107,523	49,167
1940-41	690,555	136,942	888,450	97,677	68,162
1941-42	895,619	170,012	1,093,901	119,944	84,738
1942-43	1,130,495	208,795	1,217,737	158,361	102,710
1943-44	1,292,122	267,065	1,353,272	179,909	121,518
3 months ended:					
September 1942	264,492	48,924	275,954	12,177	24,135
September 1943	333,227	62,321	351,379	12,341	26,249
September 1944	348,845	72,513	337,183	15,342	34,260
1943					
September	3,018	46,175	4,799	1,063	24,863
October	41,542	1,091	134,899	3,031	1,353
November	273,587	8,206	196,735	10,478	1,523
December	3,671	82,914	9,273	1,145	27,069
1944					
January	33,849	1,231	128,789	14,222	211
February	252,219	4,055	175,358	116,520	750
March	4,404	58,581	11,385	3,559	28,479
April	35,136	354	150,169	3,265	78
May	309,381	13,434	175,299	14,250	975
June	5,107	64,877	20,037	1,089	34,832
July	51,751	1,305	172,482	2,948	57
August	293,279	14,182	160,332	11,727	1,099
September	3,814	56,936	4,309	666	33,105

¹ Tax effective Jan. 1, 1937, payable by employers and employees.

² Federal tax effective Mar. 1, 1936, payable by carriers and employees.
³ Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. Data include contributions based on wages from railroad industry prior to July 1, 1939. Data reported by State agencies, corrected to Oct. 30, 1944.

⁴ Tax effective Jan. 1, 1936, payable by employers only. Amounts paid into State unemployment funds not included.

⁵ Tax effective July 1, 1939, payable by employers only. Amounts differ from figures in table 5, which represent only the 10 percent deposited in general and special accounts of Treasury.

⁶ Includes \$40,561,886 subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to the Federal Government.

⁷ Not available.

Source: *Daily Statement of the U. S. Treasury*, unless otherwise noted.

Table 7.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1943-45¹

[In thousands]

Item	Fiscal year 1943-44		Fiscal year 1944-45	
	Appropriations ²	Expenditures through September ³	Appropriations ²	Expenditures through September ³
Total	\$408,091	\$143,126	\$480,607	\$123,990
Administrative expenses	26,118	8,095	25,807	6,706
Federal Security Agency, Social Security Board ⁴	25,451	6,150	25,221	4,763
Department of Labor, Children's Bureau	417	108	421	103
Department of Commerce, Bureau of the Census	260	71	165	30
Department of the Treasury ⁵	(6)	1,767	(6)	1,810
Grants to States	471,973	135,031	454,800	117,284
Federal Security Agency	460,773	132,125	443,600	115,394
Social Security Board	449,773	128,810	432,600	112,021
Old-age assistance	336,350	99,214	336,214	85,283
Aid to dependent children	65,000	16,344	403,600	14,106
Aid to the blind	9,000	2,625	2,647	2,647
Unemployment compensation administration	7,39,423	10,627	29,000	9,986
Public Health Service:				
Public health work	11,000	3,315	11,000	3,372
Department of Labor, Children's Bureau	11,200	2,906	11,200	1,890
Maternal and child health services	5,820	1,650	5,820	959
Services for crippled children	3,870	910	3,870	589
Child welfare services	1,510	337	1,510	342

¹ Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes.

² Excludes unexpended balance of appropriations for preceding fiscal year. Includes, for 1943-44, transfer of \$4,095,411 from War Manpower Commission for employment office facilities and services.

³ Based on checks cashed and returned to Treasury. Includes expenditures from reappropriated balance of appropriations for preceding fiscal year.

⁴ Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of Treasury.

⁵ Represents amounts expended by Treasury in administration of title II of Social Security Act and Federal Insurance Contributions Act, reimbursed to general fund of Treasury.

* Not available.

⁶ Includes \$4,095,411 transferred from WMC for employment office facilities and services—\$2,150,000 transferred on Nov. 5, 1943, and \$1,945,411 transferred on Apr. 15, 1944.

Source: Various Federal appropriation acts (appropriations); *Daily Statement of the U. S. Treasury* (expenditures).

less than those in the corresponding quarter of 1943. Withdrawals by States for benefit payments were below those in any other month of 1944 except July.

Aggregate State balances in the unemployment trust fund rose during September, even though the bulk of the deposits is received during the

second month of each quarter. State balances during the quarter rose in all States.

The unemployment trust fund acquired \$34 million of new 1½-percent special certificates of indebtedness during September, raising its total investments to \$6,245 million. The average rate of interest remained at 1.901

percent, as compared with 1.890 percent at the end of September 1943.

The computed average rate of interest on the interest-bearing public debt rose to 1.937 percent during the month. Any special obligations issued to either of the funds in October will continue to bear an interest rate of 1½ percent.

Table 8.—Federal grants to States under the Social Security Act: Checks issued by the Treasury Department through September of fiscal years 1943-44 and 1944-45

[In thousands]

State	Fiscal year 1943-44 through September, total grants	Fiscal year 1944-45 through September						
		Federal Security Agency				Department of Labor		
		Social Security Board			Public Health Service	Children's Bureau		
		Old-age assistance	Aid to dependent children	Aid to the blind		Maternal and child health services	Services for crippled children	Child welfare services
Total, all participating States	\$142,558.0	\$120,741.2	\$88,646.4	\$13,958.0	\$2,695.5	\$9,952.1	\$3,372.4	\$1,070.4
Alabama	1,077.7	1,204.5	723.7	178.7	18.4	100.7	99.1	50.5
Alaska	125.9	110.2	62.8	(1)	(1)	20.1	10.3	8.7
Arizona	1,015.0	793.6	580.3	89.0	29.5	39.7	20.9	17.6
Arkansas	1,188.6	1,169.6	770.4	199.1	36.2	92.0	44.8	10.9
California	13,625.3	11,495.3	9,585.3	420.0	358.0	834.3	179.9	45.1
Colorado	2,753.0	2,645.5	2,339.2	203.9	30.4	42.0	25.7	(2)
Connecticut	1,083.7	977.8	666.4	80.7	6.0	162.5	32.3	14.3
Delaware	127.7	117.0	34.8	16.9	(1)	38.6	10.2	7.7
District of Columbia	415.9	332.5	134.2	31.2	17.2	81.7	23.0	23.5
Florida	1,848.7	2,111.3	1,518.5	272.9	96.3	115.1	71.5	27.3
Georgia	2,034.7	1,748.9	1,200.5	161.5	48.4	171.5	138.0	(2)
Hawaii	160.7	155.8	51.5	36.6	2.9	29.2	25.1	7.0
Idaho	806.2	684.7	508.2	79.5	11.7	37.5	23.0	1.7
Illinois	10,984.1	7,223.3	5,199.7	802.1	251.7	745.7	179.0	43.2
Indiana	3,960.3	3,028.8	2,216.6	343.7	114.4	255.8	66.3	12.4
Iowa	3,097.4	2,354.0	2,029.7	97.5	58.9	67.4	43.0	15.5
Kansas	2,084.1	1,604.2	1,196.6	161.8	55.8	86.4	63.7	20.2
Kentucky	1,365.9	1,775.1	1,245.0	177.6	38.5	114.5	123.0	46.0
Louisiana	2,575.1	2,804.8	1,691.6	798.9	82.1	131.0	75.1	17.9
Maine	1,021.6	835.2	632.1	49.2	36.0	62.3	27.5	17.1
Maryland	1,096.8	944.5	520.4	177.8	23.9	138.0	43.6	31.7
Massachusetts	6,557.9	5,150.4	4,084.3	398.0	54.6	462.5	82.7	15.6
Michigan	7,141.0	5,336.3	3,832.1	766.5	65.7	517.3	82.2	60.4
Minnesota	4,113.4	4,071.0	3,313.7	392.6	65.7	187.5	57.9	20.5
Mississippi	900.8	1,042.1	653.1	109.4	40.0	71.0	97.3	39.8
Missouri	5,757.1	4,589.5	3,679.5	589.8	(1)	236.8	57.1	(1)
Montana	835.4	890.7	719.2	74.3	20.9	39.6	13.0	11.7
Nebraska	1,660.7	1,270.3	1,019.1	131.8	19.9	44.0	31.2	8.4
Nevada	196.1	176.8	119.1	(1)	(1)	31.1	10.2	10.0
New Hampshire	498.8	332.3	195.6	37.4	8.9	53.6	19.4	8.7
New Jersey	1,930.8	2,081.7	1,229.8	237.6	36.7	481.7	55.3	26.8
New Mexico	643.4	504.9	259.1	132.8	14.4	35.2	24.2	7.4
New York	9,463.1	8,295.1	5,142.5	1,337.1	197.0	1,417.2	188.6	(2)
North Carolina	1,552.3	1,241.0	572.8	247.5	78.6	152.7	116.2	45.6
North Dakota	625.8	584.8	409.3	103.0	7.7	22.4	29.4	(2)
Ohio	8,747.4	6,633.8	5,270.9	474.0	140.2	635.2	67.7	36.3
Oklahoma	4,480.7	4,262.6	3,232.2	735.6	92.1	90.1	42.8	26.7
Oregon	1,431.2	1,351.6	1,079.6	74.5	21.3	116.4	33.8	11.3
Pennsylvania	7,976.0	5,808.5	3,647.7	1,386.0	-12.6	644.5	124.1	(2)
Puerto Rico	261.7	261.8	-	-	-	-	184.0	50.0
Rhode Island	605.6	705.1	511.0	44.3	5.5	88.4	15.3	17.0
South Carolina	1,012.9	843.3	459.0	125.6	27.5	73.4	92.6	41.8
South Dakota	731.0	630.0	479.3	74.9	6.5	21.3	19.6	13.6
Tennessee	2,346.3	1,910.7	999.6	567.8	49.1	142.6	118.6	9.4
Texas	9,151.6	8,945.7	7,660.2	442.5	250.3	276.7	224.3	65.5
Utah	1,450.9	921.3	714.6	113.6	7.9	49.9	17.7	.1
Vermont	343.2	263.6	161.6	26.4	8.9	35.5	10.6	9.4
Virginia	829.1	734.1	271.5	145.3	27.3	150.5	55.8	31.2
Washington	5,046.4	4,173.1	3,629.3	190.3	42.1	190.0	47.4	17.1
West Virginia	860.6	1,034.2	487.4	328.3	25.0	110.6	60.7	(2)
Wisconsin	2,669.7	2,342.2	1,744.5	275.6	62.2	156.1	57.7	27.6
Wyoming	318.6	231.2	160.4	17.2	6.7	22.2	0.9	7.1

¹ No plan approved by the Social Security Board.

² Plan approved by the Children's Bureau, but no checks issued as yet by the Treasury.

Source: Compiled from data furnished by the Treasury Department, Office of the Commissioner of Accounts and Deposits.

Table 9.—Status of the old-age and survivors insurance trust fund, by specified period, 1936–44
[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund ¹	Interest received ²	Benefit payments ³	Reimbursement for administrative expenses	Net total of U. S. Government securities acquired ⁴	Cash with disbursing officer at end of period	Credit of fund account at end of period ⁵	Total assets at end of period
Cumulative through September 1944	\$6,060,222	\$408,377	\$596,801	\$133,306	\$5,670,834	\$26,898	\$34,760	\$5,738,492
Fiscal year:								
1936–37	265,000	2,262	27	287,100	73	62	267,235	
1937–38	387,000	15,412	5,404	395,200	1,931	113,012	777,243	
1938–39	503,000	26,951	13,892	514,900	3,036	66	1,180,302	
1939–40	550,000	42,489	15,805	12,288	560,900	6,098	500	1,744,698
1940–41	688,141	55,958	64,342	26,540	642,500	10,778	6,238	2,397,615
1941–42	895,619	71,007	110,281	26,766	821,034	20,384	5,176	3,227,194
1942–43	1,130,495	87,403	149,304	27,492	1,035,200	24,495	6,966	4,208,296
1943–44	1,292,122	103,177	184,597	32,007	1,172,036	21,384	16,136	5,446,391
3 months ended:								
September 1942	264,492	786	33,771	6,785	213,461	31,463	5,358	3,451,915
September 1943	333,227	562	41,936	8,468	262,051	24,468	26,328	4,551,682
September 1944	348,845	3,718	53,150	7,312	267,964	26,898	34,760	5,738,492
1943								
September	3,018	554	14,301	2,823	275,051	24,468	28,328	4,551,682
October	41,542		14,549	2,619		25,910	51,200	4,576,055
November	273,587		14,748	2,619		27,152	306,237	4,832,274
December	3,671	2,122	14,990	2,619	279,049	29,097	12,527	4,820,458
1944								
January	33,849	110	15,275	2,002	−11,000	30,816	38,490	4,837,140
February	292,219		15,693	2,002	100,036	31,114	172,679	5,071,663
March	4,404	584	16,615	2,002	144,000	28,479	17,655	5,058,004
April	35,136		16,494	3,424		23,977	37,374	5,073,221
May	309,381		17,126	3,424		22,858	327,343	5,362,051
June	5,107	99,828	47,171	3,424	397,000	21,384	16,136	5,446,391
July	51,751	4	16,630	2,437	−12,000	24,747	57,462	5,479,079
August	293,279		18,118	2,437		25,620	329,312	5,751,802
September	3,814	3,714	18,402	2,437	279,964	26,898	34,760	5,738,492

¹ Beginning July 1940, trust fund appropriations equal taxes collected under Federal Insurance Contributions Act.

² Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

³ Based on checks cashed and returned to Treasury.

⁴ Minus figures represent net total of notes redeemed; includes accrued interest.

⁵ Prior to July 1940, includes balance of appropriation available for transfer.

Source: *Daily Statement of the U. S. Treasury*.

Table 10.—Status of the railroad retirement account, by specified period, 1938–44

[In thousands]

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments ¹	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent special Treasury notes	To credit of appropriation ²	To credit of disbursing officer ³	Total
Cumulative through September 1944	\$1,425,688	\$27,327	\$1,453,015	\$1,321,688	\$845,773	\$490,500	\$104,158	\$12,583	\$607,242
Fiscal year:									
Through June 1938	146,500	1,411	147,911	146,406	79,849	66,200	234	1,628	68,062
1938–39	118,250	2,202	120,452	107,694	105,774	67,200	13,206	2,334	82,740
1939–40	120,150	2,283	122,433	120,650	113,099	79,400	10,847	1,826	92,073
1940–41	113,600	2,534	116,134	124,350	121,174	74,000	2,503	10,530	87,033
1941–42	140,850	3,143	143,993	140,850	126,244	91,500	1,597	11,686	104,782
1942–43	214,801	5,777	220,578	214,801	130,465	178,000	4,120	12,776	194,896
1943–44	262,720	9,837	272,557	262,720	134,416	318,500	1,147	13,390	333,037
1944–45 (through September)	308,817	141	308,958	204,817	34,753	490,500	104,158	12,583	607,242
1943									
September	74	74		11,088	310,000	102,076	12,427	424,503	
October	101	101	33,500	11,283	332,000	68,608	12,713	413,321	
November	129	129		11,144	321,000	68,633	12,672	402,305	
December	156	156		11,096	310,000	68,673	12,693	391,366	
1944									
January	184	184	34,000	11,214	333,000	34,700	12,636	380,336	
February	211	211		11,147	322,000	34,722	12,678	369,400	
March	238	238		11,403	311,000	34,748	12,486	358,235	
April	290	290	34,500	11,267	333,500	341	13,417	347,258	
May	293	293		11,459	322,500	338	13,254	336,092	
June	8,105	8,105		11,161	318,500	1,147	13,390	333,037	
July	308,817	16	308,833	204,817	10,664	512,500	104,981	13,724	631,205
August	48	48		12,219	501,500	105,101	12,434	619,035	
September	76	76		11,870	490,500	104,158	12,583	607,242	

¹ Based on checks cashed and returned to Treasury.

² Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.

³ Appropriation reduced by transfer of \$9 million in October 1940 to prior-service account for collection of service and compensation data of railroad workers prior to 1937.

Source: *Daily Statement of the U. S. Treasury*.

Table 11.—Status of the unemployment trust fund, by specified period, 1936-44¹

[In thousands]

Period	Total assets at end of period	Net total of Treasury certificates and bonds acquired ²	Unexpended balance at end of period	State accounts				Railroad unemployment insurance account			
				Deposits	Interest credited	Withdrawals ³	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period ⁴
Cumulative through September 1944	\$6,248,160	\$6,245,000	\$3,160	\$7,626,614	\$354,342	\$2,270,977	\$5,709,979	\$414,513	\$23,547	\$43,922	\$538,180
Fiscal year:											
1936-37	312,389	203,386	94	291,703	2,737	1,000	312,389				
1937-38	884,247	559,705	12,247	747,660	15,172	190,975	884,247				
1938-39	1,280,539	395,000	13,539	811,251	26,837	441,795	1,280,539				
1939-40	1,724,862	443,000	14,862	859,864	37,524	484,764	1,693,163	44,249	202	14,552	31,699
1940-41	2,283,658	563,000	10,658	892,023	45,893	537,343	2,093,736	61,347	3,059	17,784	189,921
1941-42	3,150,103	866,000	11,103	1,065,901	61,998	368,070	2,883,654	76,266	5,424	9,072	266,448
1942-43	4,372,460	1,228,000	5,400	1,217,086	75,563	174,334	4,002,570	92,441	6,861	1,834	369,890
1943-44	5,878,778	1,503,000	8,778	1,349,307	88,526	60,000	5,380,403	109,375	8,001	591	498,375
3 months ended:											
September 1942	3,370,417	220,159	11,258	276,510	46	83,366	3,076,843	21,721	10	579	293,572
September 1943	4,746,325	373,000	6,325	352,192	—	13,513	4,341,249	23,624	—	137	405,077
September 1944	6,248,160	375,000	3,160	342,273	—	12,697	5,709,979	30,835	—	89	538,180
1943											
September	4,746,325	32,000	6,325	8,855	—	4,182	4,341,249	22,377	—	40	405,077
October	4,779,705	28,000	11,705	35,567	—	3,366	4,373,450	1,217	—	39	406,255
November	5,066,953	288,000	10,953	289,375	—	3,457	4,659,368	1,372	—	42	407,585
December	5,146,745	39,000	51,745	14,238	41,101	3,594	4,711,113	24,362	3,722	37	435,632
1944											
January	5,177,412	71,000	11,412	35,787	—	5,262	4,741,639	197	—	56	435,773
February	5,435,081	261,000	8,081	263,181	—	6,112	4,998,707	674	—	74	436,373
March	5,471,327	39,000	5,327	17,603	—	6,916	5,009,396	25,631	—	73	461,931
April	5,508,478	28,000	14,478	43,714	—	6,567	5,046,543	71	—	67	461,935
May	5,780,782	280,000	6,782	277,219	—	5,752	5,318,010	877	—	40	462,772
June	5,878,778	96,000	8,778	20,431	47,425	5,463	5,380,403	31,349	4,279	25	498,375
July	5,925,618	43,000	12,618	50,628	—	5,931	5,427,100	56	—	24	498,518
August	6,215,750	298,000	4,750	284,766	—	4,550	5,707,316	984	—	17	508,433
September	6,248,160	34,000	3,160	6,578	—	4,216	5,709,979	29,795	—	48	538,180

¹ Beginning July 1939, contains separate book account for railroad unemployment insurance, in which are held moneys deposited by Railroad Retirement Board and from which Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Contains also separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments. Totals and balances derived from unrounded figures, therefore, may differ slightly from sums of rounded figures.

² Includes accrued interest.

³ Includes transfers from State accounts to railroad unemployment insurance account amounting to \$106,013,000 of which \$111,000 was transferred from Kentucky account in July 1944 and \$1,000 in September 1944.

⁴ Includes transfers from railroad unemployment insurance administration fund amounting to \$38,030,880.

Source: Daily Statement of the U. S. Treasury.

Recent Publications in the Field of Social Security*

Social Security Board

BRONSON, DORRANCE C. *Old-Age and Survivors Insurance; 1943-44 Cost Studies.* Washington: U. S. Govt. Print. Off., 1944. 38 pp. (Social Security Board, Office of the Actuary, Actuarial Studies Nos. 19, 19 (a), 19 (b).)

Tables, charts, and text presenting basic actuarial material on the potential costs of the present old-age and survivors insurance program and of disability insurance. Study No. 19 summarizes costs, benefits, and beneficiaries when a uniform wage level is assumed; No. 19 (a) shows the results if an increasing wage of 1 percent per year is assumed; No. 19 (b) "explores the potential costs of 'invalidity' or serious long-term disability benefits incorporated into the structure of OASI." Limited free distribution; apply to the Office of the Actuary, Social Security Board, Washington 25, D. C.

KLEM, MARGARET C. *Prepayment Medical Care Organizations.* 2d edition, June 1944. Washington: U. S. Govt. Print. Off., 1944. 130 pp. (Social Security Board, Bureau of Research and Statistics, Bureau Memorandum No. 55.) 30 cents.

This edition includes a statistical summary which shows by State the numbers of persons eligible under the 214 medical care plans, the numbers of physicians and registered graduate nurses in the organizations, and the numbers of members eligible for different types of care. The body of the study is a presentation by State of the organizations providing medical services on a prepayment basis. It gives benefits, charges, eligibility, services provided, personnel (physicians, dentists, nurses), membership, and other data on each plan.

U. S. LAWS. *Compilation of the Social Security Laws, Including the Social Security Act, as Amended, and Related Enactments Through July 1, 1944.* Compiled by the Social Se-

*The inclusion of prices of publications in this list is intended as a service to the reader, but any orders must be directed to publishers or booksellers and not to the Social Security Board or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Govt. Print. Off., Washington 25, D. C.

curity Board. Washington: U. S. Govt. Print. Off., 1944. 93 pp. 15 cents.

U. S. SOCIAL SECURITY BOARD. *BUREAU OF OLD-AGE AND SURVIVORS INSURANCE. The Establishment and Maintenance of Wage Records.* Prepared by Accounting Operations Division. Baltimore, no date. 90 pp. Processed.

A full description—with illustrations, specimen forms, and charts showing flow of operations—of how the old-age and survivors insurance records are set up and maintained.

U. S. SOCIAL SECURITY BOARD. *BUREAU OF PUBLIC ASSISTANCE. Illustrations From State Public Assistance Agencies: Current Practices in Staff Training; I—Selected Materials Developed and Used by Two State Public Welfare Agencies in Orientation of Visitors.* Prepared by the Technical Training Service. Washington, July 1944. 77 pp. Processed.

The first in a new series whereby the Bureau of Public Assistance "is acting as a clearing house to facilitate the sharing of State experience" by making available to State agencies certain working materials on methods that have been tried and found useful.

Limited free distribution; apply to Bureau of Public Assistance, Social Security Board, Washington 25, D. C.

U. S. SOCIAL SECURITY BOARD. *BUREAU OF PUBLIC ASSISTANCE. Illustrations From State Public Assistance Agencies: Current Practices in Staff Training; II—An Institute for County Executive Directors as a Tool in Staff Development.* Washington, August 1944. 36 pp. Processed. Free.

This second issue of the new series (see above) summarizes the minutes of the sessions of one institute of several carried out by the Pennsylvania Department of Public Assistance.

War and Social Services

ANDREWS, COL. JOHN N. "Demobilization, Rehabilitation and Reemployment of Veterans." *Journal of American Insurance*, Chicago, Vol. 21, Oct. 1944, pp. 6-7 ff. 25 cents.

HINES, BRIG. GEN. FRANK T. "New Rights for Veterans." *Survey Mid-monthly*, N. Y., Vol. 80, Sept. 1944, pp. 243-245. 30 cents.

An explanation of the G. I. Bill of Rights and of the facilities and policies of the Veterans Administration.

NATIONAL COMMITTEE ON SERVICE TO VETERANS. *Community Services to Veterans; A Guide for Planning and Coordination.* N. Y.: The Committee, under the auspices of the National Social Work Council, 1944. 19 pp. 10 cents.

"State Variations in War Migration and Post-War Demobilization." *Monthly Labor Review*, Washington, Vol. 59, Sept. 1944, pp. 481-495. 30 cents.

With tables and maps showing wartime changes and problems confronting the States in the post-war period.

WALLER, WILLARD W. *The Veteran Comes Back.* N. Y.: Dryden Press, Inc., 1944. 316 pp. \$2.75.

Includes a discussion of the best ways to make readjustment work.

VECTOR, DIXON. *When Johnny Comes Marching Home.* Cambridge, Mass.: Houghton Mifflin Co., Riverside Press, 1944. 588 pp. \$3.

A history of previous United States demobilizations with discussion of today's problems.

General

"Beveridge Plus?" *The Economist*, London, Vol. 147, Sept. 30, 1944, pp. 433-435. 1s.

A discussion of the British Government's social insurance proposals.

BIGGE, GEORGE E. *The Goal of Social Security.* Address, Christ Church Forum, N. Y., Sept. 21, 1944. Washington: Social Security Board, Informational Service, 1944. 5 pp. Processed. Free.

Outlines "the kind of social security program we believe should be our goal in the better world ahead."

"The Cart Before the Horse." *The Statist*, London, Vol. 141, Sept. 30, 1944, pp. 794-796. 9d.

Comment on the British Government's social insurance plan which criticizes the sociological consequences of disproportionate attention to older beneficiaries as compared with children. Also has a summary of the plan on page 800.

Inter-American Affairs, 1943; An Annual Survey, No. 3. Edited by Arthur P. Whitaker. N. Y.: Columbia University Press, 1944. 277 pp. \$3.

Includes a 30-page review of labor and social welfare.

INTERNATIONAL LABOR OFFICE. *Social Policy in Dependent Territories.* Montreal: The Office, 1944. 185 pp.

(Studies and Reports, Series B, No. 38.) \$1.

"Labor Conditions in France." *Monthly Labor Review*, Washington, Vol. 59, Oct. 1944, pp. 705-727. 30 cents.

With material on social insurance, employment, unemployment, wages, and other topics. Includes wartime information.

"Labor Conditions in Norway." *Monthly Labor Review*, Washington, Vol. 59, Sept. 1944, pp. 496-515. 30 cents.

With information on social insurance, including wartime changes.

LIPSON, LESLIE. "How Social Security Works in New Zealand." *Public Administration*, London, Vol. 22, Summer 1944, pp. 74-86. 4s.

PEARSON, NORMAN M. "National Planning for a Full Works Program." *Southwestern Social Science Quarterly*, Austin, Tex., Vol. 25, September 1944, pp. 77-99. 75 cents.

Traces national public works programs and planning from the first World War through the Executive order of October 4, 1943, which made the Budget Bureau solely responsible for advance planning in this field.

"Social Security in Australia." *International Labour Review*, Montreal, Vol. 50, Oct. 1944, pp. 532-534. 50 cents.

Outlines legislation passed by the Commonwealth Parliament in April 1944 "for the payment, subject to a means test, of unemployment, sickness, and 'special' benefits, financed by direct taxation." Also summarizes increases in invalid, old-age, and widows' pensions.

U. S. CONGRESS. SENATE. COMMITTEE ON TERRITORIES AND INSULAR AFFAIRS. *Economic and Social Conditions in Puerto Rico*. Washington: U. S. Govt. Print. Off., 1944. 56 pp. (78th Cong., 1st sess., S. Rept. 628.) 10 cents.

Old-Age and Survivors Insurance

LINTON, M. ALBERT. "Problems of Old Age and Survivors Insurance." *Eastern Underwriter*, Life Insurance Salesmanship Edition, 1944, N. Y., Vol. 45, Oct. 6, 1944, pp. 40 ff. \$1.

Considers coverage, the acquisition of insured status, financial questions, and other points.

"Underwriters View Social Security." *The Spectator*, Philadelphia, Vol. 152, Oct. 1944, pp. 40-43. \$5 a year.

Discusses the results of three surveys of insurance men's opinions on

old-age and survivors insurance. Includes views on such protection for the agents themselves.

Employment Security

BENNION, EDWARD G. "Is Unemployment Chronic?" *Harvard Business Review*, N. Y., Vol. 23, Autumn 1944, pp. 115-128. \$1.50.

"It is the purpose of this article to reduce Keynes's theory to the simplest terms possible and to point out some of the implications for businessmen."

BEVERIDGE, W. H. "The Government's Employment Policy." *Economic Journal*, London, Vol. 54, June-Sept. 1944, pp. 161-176. 7s. 6d.

A critical analysis of the British Government's White Paper on Employment Policy, including contrasts between its theses and those developed by Beveridge in his latest book, *Report on Full Employment in a Free Society*. The paper also appears as a postscript to this book.

BURNS, ARTHUR E. "Public Debt and Full Employment." *The Controller*, N. Y., Vol. 12, Oct. 1944, pp. 418-420. 50 cents.

Reasons for holding that a policy looking toward high levels of economic activity is more important than the aim of debt retirement and in fact constitutes the best way to achieve reduction of the public debt.

HAGEN, EVERETT E., and KIRKPATRICK, NORA BODDY. "The National Output at Full Employment in 1950." *American Economic Review*, Menasha, Wis., Vol. 34, Sept. 1944, pp. 472-500. \$1.25.

An estimate of "the size of the 1950 labor force and the quantity of goods and services it will be able to produce." The significance of the estimates for public policy on employment and other matters is indicated.

JOSEPH, M. F. W. "The British White Paper on Employment Policy." *American Economic Review*, Menasha, Wis., Vol. 34, Sept. 1944, pp. 561-567. \$1.25.

"The Outline of a Planned Economy for Great Britain; Derived From the White Paper on Employment Policy and the Debate in the House of Commons." *Economic Record*, N. Y., Vol. 6, Oct. 1944, pp. 61-68.

TENNESSEE. DEPARTMENT OF LABOR. UNEMPLOYMENT COMPENSATION COMMISSION. *Seasonal Industries in Relation to Unemployment Compensation*. Prepared by Research and Statistics Section. Nashville, June 1, 1944. 32 pp. Processed.

U. S. WAR MANPOWER COMMISSION. BUREAU OF PLACEMENT. *A Selected*

Bibliography on Employment Service and Related Subjects (Revised). Washington, 1944. 39 pp. Processed. (Employment Office Training Program, Unit 15.)

WOYTINSKY, VLADIMIR S. "Prospects for Permanent Full Employment; The Chances for Full Employment in Postwar America." *International Postwar Problems*, N. Y., Vol. 1, Sept. 1944, pp. 498-515. "Will War Savings Stabilize Prosperity?" by Albert Halasi, pp. 515-523. \$1.

Mr. Woytinsky explains fundamental aspects of the war economy in this country; considers the employment situation; and analyzes the nature, importance, and duration of war savings as a potential basis of a new phase in our economic history. Mr. Halasi, though without fundamental disagreement, holds that the process of dissaving may be of the type to make positive governmental employment policies very important.

Public Welfare and Relief

BALDWIN, JOSEPH E. "Cooperation in a Medical Care Program." *Public Welfare*, Chicago, Vol. 2, Oct. 1944, pp. 243-249. 50 cents.

Shows in some detail how an Indiana county has provided for medical care of persons receiving public assistance.

CHICKERING, MARTHA A. "Administrative Supervision." *Public Welfare*, Chicago, Vol. 2, Oct. 1944, pp. 234-237 ff. 50 cents.

Standards for successful supervision by one public welfare agency of "the over-all administration of another agency."

DAVIS, FRANCES. "Coordination of Public Assistance and Child Welfare." *Public Welfare*, Chicago, Vol. 2, Oct. 1944, pp. 238-242 ff. 50 cents.

Toward a more effective program of meeting "full responsibility for social services for children."

SMITH, ANNA KALET. "Family Welfare Under a New Law in Soviet Russia." *The Child*, Washington, Vol. 9, Sept. 1944, pp. 46-47. 5 cents.

Health and Medical Care

American Health Number. *Railroad Journal*, Chicago, Vol. 8, Aug. 1944. Entire issue. \$1.

This special issue, containing more than 20 articles by physicians and others, was suggested by the National Physicians Committee for the Extension of Medical Service, which has supplied a good deal of the material.

Most of the articles are strongly opposed to any type of general insurance against sickness.

AMERICAN PUBLIC WELFARE ASSOCIATION. COMMITTEE ON MEDICAL CARE. *Bibliography on Public Medical Service.* Chicago: The Association, September 1944. 16 pp. Processed. 15 cents.

GAFAFER, W. M., and SITGREAVES, ROSEDITH. "Studies on the Duration of Disabling Sickness; VI—Time Lost from Short-term Absences and Its Relation to Total Time Lost." *Public Health Reports*, Washington, Vol. 59, Oct. 6, 1944, pp. 1311-1320. 5 cents.
Data on sickness experience of male employees in a public utility.

MacNALLY, Sir ARTHUR S. "Britain's Plan for a National Health Service." *Public Affairs*, Halifax, N. S., Vol. 7, Summer 1944, pp. 205-209. 30 cents.

MANGUS, A. R. *Health and Human Resources in Rural Ohio.* Columbus: Ohio State University and Ohio Agricultural Experiment Station, May 1944. 61 pp. Processed. (Department of Rural Economics and Rural Sociology, Mimeograph Bulletin No. 176.)

Analyzes rural health conditions in Ohio, considers the distribution of

health resources in the State, and offers conclusions for a sound health policy.

"Medical Care in a National Health Program." *Journal of the American Medical Association*, Chicago, Vol. 126, Oct. 14, 1944, pp. 441-442. 25 cents.

The text of a report adopted by the Governing Council of the American Public Health Association at its annual meeting in New York, October 4, 1944. It advocates a national program to "make available to the entire population all essential preventive, diagnostic and curative services" to be "adequately and securely financed through social insurance supported by general taxation, or by general taxation alone." An editorial criticizing the report appears on pp. 434-435 of the *Journal*.

MOUNTIN, JOSEPH W. "Relocation of Physicians; A Prerequisite to Better Medical Care." *Journal of the American Medical Association*, Chicago, Vol. 126, Sept. 23, 1944, pp. 203-205. 25 cents.

The medical director, U. S. Public Health Service, analyzes conditions and makes suggestions for offsetting the handicaps suffered by rural communities, due to "low income, lack of

essential facilities and professional isolation."

SCOTLAND. DEPARTMENT OF HEALTH. *Summary Report . . . for the Year Ended 30th June 1944.* Edinburgh: H. M. Stationery Office, 1944. 23 pp. (Cmd. 6545.) 4d.

U. S. OFFICE OF VOCATIONAL REHABILITATION. *A Public Service for Restoring the Handicapped to Useful Employment; Vocational Rehabilitation, 1944.* Washington: U. S. Govt. Print. Off., 1944. 12 pp. An informational pamphlet.

Variations in Industrial Medical Service Plans. *Journal of the American Medical Association*, Chicago, Vol. 126, Oct. 7, 1944, pp. 333-348. 25 cents.

Six articles descriptive of industrial programs throughout the country appear in this issue of the *Journal*. The authors are James M. Adams (Stanacola plan), M. S. Bloom (Binghamton, N. Y., area), Sidney R. Garfield (Kaiser Industries), Edward M. Jones (Endicott-Johnson plan), James C. McCann (Massachusetts), and John J. Wittmer (general). Discussion follows the papers, all of which were presented before the Section on Preventive and Industrial Medicine and Public Health at the annual meeting of the AMA in Chicago last June.

(Continued from page 48)
or about 180,000 less than a year earlier and only 10,000 more than the low point in April 1944.

In a statement before the Senate War Investigating Committee, the Executive Director of the War Manpower Commission said that the end of the war in Europe will also end the employment stabilization program, the required hiring of male labor through the U. S. Employment Service, and fixed employment ceilings. The 48-hour workweek in war plants will be continued, however, so that overtime earnings will offset the inducements offered by civilian employment not operating on the 48-hour week. The nonregulatory functions and programs of the USES will be strengthened and the management-labor committees, which could formulate necessary manpower programs to overcome urgent manpower problems on a voluntary basis, will be retained.

During September the WMC announced plans for lifting all manpower controls for veterans of the present war. To change jobs, veterans will not need statements of availability and may be hired by any employer without referral by the USES. At the same time, any veteran seeking employment through the USES is entitled to referral without regard to the priority status or essentiality of the job and may be hired without regard to employment ceilings, though they must be counted against an established employment ceiling, unless the local employment stabilization program provides for exemption.

Placement Activities

Seven percent fewer nonagricultural placements were made by the WMC in September than in August but 29 percent more than in Septem-

ber 1943. Twelve States reported more placements than in August, including all 5 States in Region XII, where shipbuilding is still booming. Only 11 States, scattered geographically, reported fewer placements than a year earlier. In only 7 of the 37 industry groups was there a decrease from the September 1943 number, and the declines ranged from less than 1 percent in tobacco manufacturers to 33 percent in aircraft and parts.

Short-time placements were 11.6 percent of all nonfarm placements in September—the largest proportion this year. Placements of women, while less in number than in August, formed the same percentage of all nonfarm placements. Fewer placements of nonwhite workers, both in number and in proportion to the total, were made.

As in July and August, World War II veterans made up 5 percent of all nonfarm placements in September.

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